

SUPPLEMENTARY RETURN

(61)

TO an ADDRESS of THE SENATE dated April 25, 1899, for a return showing:

1. The number of acres of land set apart for the purpose of education in the Province of Manitoba and in the North-west Territories, respectively, under the authority of Chapter 54, Revised Statutes of Canada, Section 23.

2. The number of acres sold in Manitoba and the North-west Territories, the amount received in payment therefor, and the amount now due thereon.

3. The total sum now at the credit of the said fund held by the Dominion of Canada, how invested, and the rate of interest paid thereon.

4. The amount advanced out of said principal sum in aid of education in the Province of Manitoba and the North-west Territories.

5. The sum recouped to the said principal out of the proceeds of the sale of lands set apart for the purpose of education, and the amount now due to said principal sum.

6. And all correspondence relating to any further advance or advances out of said school fund, either to Manitoba or the North-west Council.

R. W. SCOTT,
Secretary of State.

OTTAWA, February 21, 1901.

MEMORANDUM for Supplementary Return to the Senate in answer to questions 1 and 2 contained in Address of the Senate dated April 25, 1899, bringing down the information to December 31, 1900, in accordance with the request contained in the letter from the Under-Secretary of State dated February 15, 1901.

1. Assuming the School Lands in Manitoba to comprise one-eighteenth of the estimated area of the Province (being two sections in every thirty-six sections) they represent approximately an area of 2,277,900 acres.

On the same basis, the combined area of the land reserved as School Lands, in the Provisional Districts of Assiniboia, Alberta, Saskatchewan and Athabaska would be approximately 19,200,000 acres.

The above is only an approximate estimate, as a large portion of the country is still unsurveyed.

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2. The total area of Manitoba School Lands sold to December 31, 1900, is 278,714.72 acres, but of this area 5,119.83 have reverted to the School Endowment through the cancellation of sales, and correction surveys have made a further reduction of 84.11 acres, leaving the area covered by the sales of School Lands now in force 273,542.31 acres. This area was sold for \$2,191,903.44.

The amount collected on account of these sales to December 31, 1900, is \$779,174.65 (of this \$673,192.28 is principal and \$105,982.37 interest); the amount of principal outstanding on December 31, 1900, was \$1,524,109.17. Of this sum only \$138,621.28 is due, the balance being payable in nine equal annual instalments bearing interest at six per cent per annum.

The total area of North-west School Lands sold to December 31, 1900, is 10,042.44 acres. This area was sold for \$133,357.44. The amount received on account of sales of North-west School lands to December 31, 1900, is \$63,064.18 (of this sum \$58,101.45 is principal and \$4,962.73 interest).

The amount of principal outstanding on December 31, 1900, was \$75,255.99, but of this sum only \$758.40 of principal is due, the balance being payable during the next nine years in equal annual instalments. There is also due \$529.16 on account of interest. In calculating the amount of principal still outstanding, \$5,398.01 must be deducted from the principal collected (\$673,192.28) that sum (\$5,398.01) having been paid on account of sales now cancelled.

FINANCE DEPARTMENT,

OTTAWA, CANADA, February 28, 1901.

MEMORANDUM, so far as *Department of Finance* is concerned, relative to *School lands in Manitoba*.

1. The total sum at the credit of the Manitoba School Fund held by the Dominion of Canada on December 31, 1900, was \$733,774.51. The amount is held by the Government who allows interest thereon at the rate of three per cent per annum.

2. There have been no advances made to the Province of Manitoba since April 30, 1899. The amount advanced to the province out of principal sum prior to that date was \$30,000.

3. The amount so advanced as above was recouped to the Manitoba School Lands Fund.

4. There is no correspondence on file in this Department respecting a further advance out of the School Fund either to Manitoba or the North-west Council since April 30, 1899, to which date the answer to the Address of the Senate of April 25, 1899, was made up, so far as this Department was concerned.

J. M. COURTNEY,

Deputy Minister of Finance.

EXTRACTS FROM SUPPLEMENTARY RETURN (No. 48a, 1899) TO AN ADDRESS OF THE SENATE, DATED MARCH 31, 1898, RELATING TO SCHOOL LANDS IN MANITOBA.

CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council, on the 7th July, 1883.

The Committee of the Privy Council have had under consideration a despatch dated April 9, 1883, from the Lieutenant Governor of Manitoba, advising that the sum of eighty thousand dollars be placed at the disposal of the Province for the purposes of education, and that this sum with that already advanced be charged against the first sale of school lands in the Province.

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The Ministers of Finance and of the Interior, to whom the despatch in question was referred, report that by the Statute 41 Vic., chap. 1, the Governor in Council was authorized to make an advance of a sum or sums not exceeding in the whole ten thousand dollars in each of the three fiscal years, 1878-79, 1879-80, 1880-81, to the Province of Manitoba, in aid of the public schools in that province, and of this sum it appears that twenty thousand dollars have been paid, and that the balance of ten thousand dollars is now available for the purposes of the Act.

The Ministers further observe that without an Act of Parliament the Government have no power to exceed the express words of the statute, which limits the advance in the whole to thirty thousand dollars.

The Committee concur in the above report, and they advise that a despatch founded upon this minute, when approved, be transmitted to the Lieutenant Governor of Manitoba for the information of his Government.

JOHN J. McGEE,
Clerk, Privy Council.

CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council, on the 1st January, 1884.

On a Report dated December 29, 1883, from the Minister of Finance, stating that under 41st Vic., Cap. 13, the Governor in Council was authorized to advance to the Province of Manitoba, for school purposes, a sum or sums not exceeding in the whole \$10,000 in each of the three fiscal years 1878-79, 1879-80 and 1880-81; the sums of \$10,000 each have been advanced under this Act for the fiscal years 1878-79 and 1879-80, making \$20,000 in all, but that no sum was advanced in 1880-81; that the Government of Manitoba has applied for the payment to them of the sum of \$10,000 authorized by the Act to be paid to them in the last mentioned fiscal year.

The Minister recommends, as the necessity is urgent and there being no appropriation from which the amount can be taken, that a special Warrant of His Excellency the Governor General do issue for the said sum of \$10,000 to be advanced to the Government of Manitoba for school purposes, the same to be charged to "School Lands Accounts," and to be included in the estimates to be laid before Parliament at its ensuing session.

The Committee submit the foregoing recommendation for Your Excellency's approval.

JOHN J. McGEE,
Clerk, Privy Council.

EXTRACT from a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council on the 1st April, 1884.

3.—SCHOOL LANDS.

These lands form the subject of a special trust, for which they were set apart immediately after the acquisition of the country.

The trust is one which, in the opinion of the Committee, considering its object and character, the Dominion Government cannot, in good faith towards the settlers in Manitoba and in the other provinces which may be constituted out of the North-west Territories, part with or be relieved from. And the Committee are unable to advise a compliance with the request of the Government of Manitoba that these lands should be conveyed to the province.

The Committee desire to point out that in each of the fiscal years 1878-79 and 1879-80 an advance of ten thousand dollars was made to the province in aid of its public schools, and that by a bill now before parliament provision is made for the payment of 'a further sum or sums of money not exceeding in the whole the sum of thirty

thousand dollars, being the sum of fifteen thousand dollars for each of the fiscal years 1881-82 and 1882-83.'

School lands will be offered for sale at auction annually, after consultation with the Provincial Government as to the time of sale, quantity and price. Under the provisions of the law proceeds of these sales will be invested in Government securities, and the interest received on account thereof paid annually to the Government of the province for school purposes. It must be remembered, also, that in the year 1881 school lands, to a considerable extent, were advertised to be sold by auction, but at the earnest solicitation of the Government of Manitoba the sale was postponed, and the best opportunity which had occurred of obtaining large prices therefor lost for some years.

4.—CROWN LANDS.

The following resolutions have recently been passed by the Legislature of Manitoba in respect to the lands of the Dominion situated in the province:—

'Whereas, by the terms by which the provinces of Canada, Nova Scotia and New Brunswick became confederated, it was enacted that the several provinces of Ontario, Quebec, Nova Scotia and New Brunswick should have the management and sale of the public lands belonging to them, respectively, and of the wood and timber thereon;

'And whereas, by the provisions of the Manitoba Act it was enacted that all the ungranted or waste lands in the Province of Manitoba should be vested in the Crown and administered by its parliament of Canada for the purposes of the Dominion;

'And whereas, among the rights claimed by the people of Manitoba, before they consented to become confederated, was a demand that the public lands of the province should be vested in the legislature and administered for the use of the province;

'And whereas, it is claimed that the province has a just and equitable claim thereto;

'And whereas, repeated representations have since been made to the Government of Canada, praying that the management and sale of public lands be vested in the Legislature for the use of the Province;

'And whereas, it is deemed by the House to be in the best interest of the Province that the Public Lands lying within its limits should be administered by its Legislature;

'And whereas, it is further deemed in the interest of the Dominion that all the Provinces of Canada should possess equal jurisdiction in all the matters of a local nature;

'And whereas, a continuance of the discriminating policy pursued towards Manitoba is calculated to undermine the feeling of common interest that this Province should have in building up the Dominion;

'And whereas, no answer satisfactory to the Legislature of the Province has been received in reply to the demands as above mentioned, and in the opinion of this House the rights of the people of the Province to obtain redress in all matters of a local nature which are extended to the people of the other Provinces of Canada, are denied to the people of Manitoba, and the resources derivable from the sale of land in Manitoba are appropriated by the Dominion, which, in other Provinces of the Union, are administered by their several Legislatures, and the revenues arising therefrom inure to the several Provinces respectively;

'And whereas, this Legislature views with alarm the alienation from the Crown of the public domain without provision being made for the future necessities of Government in this Province, which will, in the near future, be obliged to resort to direct taxation to support its institutions, and to prosecute improvements necessary to the building up thereof, which state of affairs in other Provinces was obviated largely by the revenues arising from Crown Lands, and by liberal provisions made for them on entering the Union;

'Be it therefore resolved, that an humble address be passed by this House, praying His Excellency the Governor General to cause such inquiry to be made into the relations of this Province with the Dominion, and such action to be taken in reference thereto as will place this Province in as favourable a position as regards her future necessities as are the four provinces confederated under the British North America Act.

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‘ And be it further resolved, that a memorandum of the case be prepared and transmitted to the Secretary of State for the Colonies, with an humble request that the Manitoba Act may be so amended as to place this Province of Manitoba on the same status in the Dominion as the older Provinces in the Union.’

Following, in this respect, the example of the United States, where all public lands in new territories remain the property of the nation, the Crown lands in Manitoba are vested in Her Majesty as represented by the Government of the Dominion. They have been freely granted in aid of the Canadian Pacific and other railways, of colonization companies, actual settlers, and other objects calculated to develop and augment its population. In the older provinces the lands which they owned at the time of Confederation remained their property; and, as regards the Province of Prince Edward Island, which had no public lands, a grant of \$800,000 was made to it in lieu of the advantage which it would have had if it had owned any public lands. The step thus taken in the case of Prince Edward Island was repeated in dealing, in 1882, with Manitoba, and a sum of \$900,000 or \$45,000 a year, granted the province in lieu of public lands. The free homestead and pre-emption policy of the Dominion Government has been proclaimed throughout Europe, and carried out with advantage to Manitoba, and the Committee are of opinion that the faith of the Dominion, as well as the best interests of Manitoba, are pledged to its being permanently adhered to. Beyond this, and how far it may be expedient to change the arrangement existing between Manitoba and the Dominion, in respect to the lands of the Dominion situated within the province, is one of those questions involving financial considerations which could be advantageously inquired into in the manner contemplated by the Legislature of Manitoba in the first of the resolutions above referred to, in regard to the financial relations of the Province with the Dominion.

The Committee advise that a despatch based on this report, if approved of by Your Excellency, be transmitted to the Lieutenant Governor of Manitoba, for the information of his Government.

All of which is respectfully submitted.

JOHN J. McGEE,
Clerk Privy Council.

CERTIFIED COPY of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor General in Council, on May 20, 1884.

The Committee of the Privy Council have named a sub-committee to confer with Hon. Messrs. Murray, Norquay and Miller, duly accredited delegates from the Legislature of Manitoba, upon the subjects embraced in the memorandum of instructions given by the said Legislature of Manitoba to the delegates, as well as many other matters affecting the Province.

The sub-committee, after having very fully discussed with the delegates all the points embraced in the said memorandum and the other matters referred to, report as follows :—

That following the order of the memorandum of instructions, the delegates urged with great earnestness :—

‘ 1. The right of the Province to the control, management and sale of the public lands within its limits, for the public uses thereof, and the mines, minerals, wood and timber thereon, or an equivalent therefor, and to receive from the Dominion Government payment for the lands already disposed of by them within the Province, less cost of surveys and management,’ and they, the sub-committee, having given to all the views advanced by the delegates in support of this claim the fullest consideration, and with every desire to meet their wishes as far as possible in the general interests of the Dominion, cannot advise the Council to recommend to Parliament to grant this request.

The lands of Manitoba hold a very different position in relation to the Dominion Government from the lands of the other provinces. Shortly after the union of the old provinces, the Government formed from that Union purchased at a large price in cash, all the rights, title and interest of the Hudson's Bay Company, in and to the territory

out of which the Province of Manitoba has been formed, it incurred further a very large expenditure to obtain and hold this territory in peaceable possession, and at a still further cost which is continuous and perpetual is extinguishing Indian titles and maintaining the Indians so that the Dominion Government has a very large pecuniary interest in the soil, which does not exist in respect to any other of the confederated provinces.

The purpose expressed in the memorandum of instructions for which the lands are sought, "is that they may be applied to the public uses of Manitoba."

This purpose seems to be most fully met by the Federal Government already, viz.: in providing railway communication to and through Manitoba, in aiding the settlement of vacant lands, and in public works of utility to the province.

It was urged by the delegates that the Canadian Pacific Railway is being constructed in fulfilment of the terms of Union with British Columbia, and not in the interests of Manitoba and the North-west. The Sub-Committee, however, maintain that desirable as it may be to have railway connection with that Province, Parliament would not have gone beyond the original proposition of a waggon road, had not the Dominion Government been the owner by purchase of a large territory which would be made accessible and valuable by railway, and largely contributory to the cost of so great an undertaking. Accompanying the proposition to construct a railway was the declaration that the lands of the North-west would bear a considerable proportion of the cost, and from time to time large subsidies of land were offered to any company that would undertake the work. In 1880 Parliament solemnly set aside one hundred million acres of those lands towards meeting the cost of the work and, in 1881, contracted with the Canadian Pacific Railway Company to hand over certain portions of constructed road together with twenty-five millions of dollars in cash, and grant twenty-five million acres of land for the completion of the line. It was not to be expected that the lands could be made available to meet a cash expenditure, until some time after railway connection was had with and through them, and, therefore, the expenditure in construction and in cash subsidy may be regarded as an advance to be repaid from the lands. This cash expenditure or advance, when existing contracts are completed, may be stated as follows:—

Cash expenditure from Callendar to Port Arthur, say subsidy.....	\$10,000,000
Port Arthur to Red River construction.....	15,000,000
Pembina Branch, construction	1,500,000
Winnipeg and Western Boundary of Province, subsidy.....	2,150,000
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Total cash expenditure.....	\$28,650,000

by the Dominion Government to make connection with and through the Province of Manitoba.

The Dominion Government has also set apart, at greatly reduced prices, lands to aid the construction of other roads in Manitoba and the Territories, and given free of cost a large acreage in aid of a line to Hudson's Bay, so that the Dominion Government is, as stated, using the 'Public Lands of Manitoba for the benefit thereof.' Moreover it should not be forgotten that it has provided in the Act of 1881 for an annual cash payment of \$45,000, which was then accepted in lieu of public lands. Other considerations of vital import to the Province of Manitoba have much weight with your Sub-Committee. The success of all the undertakings by the Dominion Government in and for the North-west, depends largely upon the settlement of the lands. Combined with a great expenditure in organizing and maintaining an immigration service abroad and at home, Parliament pledged its faith to the world that a large portion of those lands should be set apart for free homesteads to all coming settlers and another portion to be held in trust for the education of their children. No transfer could therefore be made, without exacting from the Province the most ample securities that this pledged policy shall be maintained; hence in so far as the free lands extend there would be no monetary advantage to the Province, whilst a transfer would most assuredly seriously embarrass all the costly immigration operations which the Dominion Government is making mainly in behalf of Manitoba and the Territories.

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The great attraction which the Canadian Government now offers, the impressive fact to the mind of the men contemplating emigration is that a well known and recognized Government holds unfettered in its own hand the lands which it offers free, and that that Government has its agencies and organizations for directing, receiving, transporting and placing the immigrant upon the homestead which he may select. And if the immigration operations of the Dominion, which involve so large a cost, are to have continued success and to be of advantage to Manitoba and the North-west Territories, your Sub-Committee deem it to be of the utmost importance that the Dominion Government shall retain and control the lands which it has proclaimed free to all comers. Were there other considerations of sufficient force to induce them to recommend their transfer to Manitoba, and as a consequence and by precedent the surrender to the Provinces to be created from the North-west Territory, all the lands within their boundaries, then they would advise that the Provinces holding the lands should conduct their own immigration operations at their own expense.

The attention of the Sub-Committee has been directed to the procedure of the Federal Government of the United States, in the organization of new States, and they find that it rigidly retains the public lands of the State, except those it may appropriate for specific purposes, allotting to the State only swamp lands, which, when drained, become a source of profit.

In the Province of Manitoba there is a considerable area of similar lands, which, when drained, are fit for settlement and very valuable.

It having been decided that the necessary works for drainage could be best supervised by the local authorities, an agreement was made with them to undertake certain portions of it for a moiety of the lands reclaimed.

The Sub-Committee submit that it is expedient to recommend to Parliament a modification of this arrangement, and that all lands in Manitoba, which can be shown to the satisfaction of the Dominion Government to be swamp lands, shall be transferred to the Provincial Government and inure wholly to its benefit.

This would place Manitoba, in respect to public lands, in as favourable a position as the States of the Union, irrespective of the annual allowance of \$45,000, whilst in public expenditure by the General Government directly and indirectly for her advantage, Manitoba has been dealt with far more liberally than has any other Province, or than any State of the Union by the Federal Government of the United States.

2. The delegates urged the transfer to the Local Government, of the lands set apart for education with a view to capitalize the sums realized from sales and apply the interest accruing therefrom to supplement the annual grant of the Legislature in aid of education.

Had your Sub-Committee decided to recommend the first proposition they might have regarded this somewhat differently, but inasmuch as the retention of the general lands involves the maintenance of a staff organization for their management, the Committee deem that the School Lands can by that organization be best cared for.

The Dominion Government has taken no action in relation to those lands without full consultation with the local authorities, and, pending sales, has sanctioned advances of \$60,000 on account for educational purposes.

Of past action Manitoba cannot complain, and with but one object common to both governments, and with the established practice of consultation, no just cause of complaint is likely to occur. Under the provisions of the law the proceeds of all sales will be invested in government securities, and the interest received on account thereof paid annually to the government of the province for school purposes. It is almost impossible to conceive a mode of management more likely to be satisfactory to the people and affording greater security for a trust deliberately and voluntarily set apart by the dominion government as sacred to the education of the children of settlers. Whilst the dominion government has thus wisely made a generous provision in aid of general education in the province, the sub-committee submit that in view of the rapid increase of its population, the time has come when provisions may be made to secure the maintenance of a university capable of giving a proper training in the higher branches of education, and to attain this end an allotment of land, not exceeding 150,000 acres of

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fair average quality should be selected by the dominion government and granted as an endowment to the university of Manitoba, to be held in trust for the purpose referred to upon some basis or scheme to be framed by the university and approved by the government of the dominion.

3. 'The adjustment of the capital account of the province decennially according to population, the same to be computed now at 150,000 souls, and to be altered until it corresponds to the amount allowed the province of Ontario on that account.'

At the confederation of the provinces it was found advisable and necessary to allow to each a capital account, because large expenditures involving debts had been made by all the provinces on works of a public character, such as canals, railways, harbours, piers, lights and public buildings, most of which were transferred to the dominion government.

It would have been manifestly unfair to have transferred the assets without providing for the debts which they created, and for which each province was liable.

To meet this a rate per head of the population was adopted and found to meet the case, as the debts of the province were nearly in proportion to the population.

Subsequently upon the admission of other provinces, it was found that their debts did not reach the same per capita allowance given to those first confederated; but it was held, that although the province had not made the expenditure, it was desirable to give it the same allowance, the surplus, after covering indebtedness, to form a capital, the interest of which would enable its government to make such internal improvements as were of provincial and general benefit. Upon the organization of Manitoba a similar course was pursued, and the population estimated at 17,000. This was a small number for a province, and it may be fair to assume that in ordinary circumstances the expenses and responsibilities of government would not have been placed upon a population so small. A per capita allowance, based on that population, did not give a sum sufficient to meet any considerable expenditure, and, in consequence, the provincial government has drawn upon the capital sum, and the dominion has, also, made expenditures within the province, which are held to be strictly local and which, in the other provinces, were borne out of provincial funds. The population of the province having now largely increased, it is desirable that the province shall be placed, so far as practicable, in a position to maintain the necessary local expenditure, and the sub-committee recommend that the same per capita allowance as was made on a population of 17,000 be now made on 150,000, and that the capital sum therefrom be charged with such advances as have already been made from the former capital account, and such expenditure as the dominion government has made within the province of a strictly local character. To meet the expenditure of the present fiscal year, it is estimated that in consequence of the construction of a lunatic asylum and other exceptional services, another advance from the old capital account to the extent of \$150,000 will be necessary, and the committee advise that under the provisions of the Act creating the province, it be made and held chargeable against the capital account or any readjustment thereof sanctioned by parliament.

4th. 'The right of the Province to charter lines of railway from any one point to another within the Province, except so far as the same has been limited by its Legislature in the Extension Act of 1881.'

This question has no doubt arisen in consequence of the disallowance of certain Acts of incorporation granted by the Legislature of Manitoba, which were held to conflict with the spirit of Canadian policy as embodied in the Canadian Pacific Railway Act, which contains a clause preventing the Dominion Parliament authorizing the construction of any railway South of the Pacific line, and running from any point at or near the Canadian Pacific Railway, except such lines as shall run Southwest, nor to within 15 miles of latitude 49. 'Throughout the whole discussion upon the Pacific Railway, both in and out of Parliament, up to the ratification of the contract of 1880, there was no proposition received with so great unanimity and approval, as that the railway should not, at least for a time, whether constructed by the Government or a company, be tapped by lines running into the United States, and its legitimate traffic drawn to that country instead of passing down to the seaboard over Canadian soil. Not only was this held to be in the interest of the

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whole people, but it is safe to assert that a company could not have been found to undertake the work without this guarantee.'

Whatever the provisions of the Canadian Pacific Railway Act are, the Province of Manitoba had in advance assented to, in accepting an extension of her boundaries and an increase of area about tenfold, under an Act which provided 'that the said increased limit and territory thereby added to the Province of Manitoba shall be subject to all such provisions as may have been or shall hereafter be enacted respecting the Canadian Pacific Railway and the lands to be granted in aid thereof.' Having accepted the increased area upon the above conditions, and knowing the long avowed policy of parliament to prevent the legitimate trade of the country and traffic of the Canadian Pacific Railway being diverted to the United States, the sub-committee consider that no injustice will be done to the people of Manitoba by the exercise of such supervision by the Dominion Government over the railway charters sought from the Dominion Parliament or passed by the Legislature of Manitoba, as will maintain this policy, and the condition of the Canadian Pacific Railway Act, until the expiry of the time named therein, or until the road is opened and trade established, when, it is believed it may be repealed or modified, without injustice and with the consent of the contracting parties.

5th. 'That the grant of 80 cents a head be not limited to a population of four hundred thousand souls, but that the same be allowed the Province until the maximum on which the said grant is allowed the Province of Ontario be reached.'

The Act of Confederation places the per capita allowance upon the population given to each Province by the census of 1861, but in the case of Nova Scotia and New Brunswick allows a decennial increase until a population of 400,000 be reached.

In the admission of Manitoba with a small population, it was provided that she should have the same advantages and be placed upon terms of equality with those two named older Provinces, one of which has now passed the maximum number. In view of the fact that some considerable time must elapse before the maximum allowed to Manitoba is reached, and that the question affects all the Provinces of the confederation, the sub-committee deem it more advisable to give attention to the means by which aid can be given to the Province within the maximum number named in the Act.

The increase of population in the Province of Manitoba has been exceptionally rapid, and would warrant a more frequent census than that named, and the sub-committee has to repeat that portion of the Order in Council of April 1, 1884, bearing upon this question and 'advise that a quinquennial census of the Province of Manitoba be taken hereafter reckoning from September, 1801, and that between the future takings of the census approximate estimates should be made at evenly divided periods, so that the sum granted to the Province for the purpose above mentioned may be revised four times in each decade, and in each instance adjusted according to population until the number of the inhabitants shall have reached 400,000, and they further advise that the first of such approximate estimates be made on the first of September next, when if the population should be found to exceed 150,000, at which the grant in aid is now made, the first readjustment should take place.'

6th. 'The granting to the Province extended railway facilities, notably the energetic prosecution of the Manitoba and South-western, the Souris and Rocky Mountain, and the Manitoba and North-western Railways.'

The sub-committee has assured the delegates of the earnest desire of the Dominion Government to extend railway facilities in Manitoba and the North-west in any direction that will not conflict with the general interest and the engagements of the Government, and has cited in proof thereof the extraordinary expenditure made upon the main Pacific line, and the grants of land hereinbefore referred to, together with a grant already made of \$100,000.00 to commence explorations in Hudson's Bay, to test the practicability of a commercial outlet in that direction for the products of the North-west.

7th. 'To call the attention of the Government to the prejudicial effects of the tariff on the Province of Manitoba.'

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In the discussion on this point the sub-committee is of opinion that it was not shown that the effect of the tariff is prejudicial to the Province, or that it operates exceptionally unless perhaps in some few cases, which it is believed will be remedied, as means of transport from the other Provinces improve, or which if not so remedied may be adjusted on the recommendation of the Ministers of Finance and Customs.

8th. 'Extension of boundaries.'

The sub-committee having given to this proposal, and the arguments advanced by the delegates, the most careful consideration, cannot recommend any change or modification of the views entertained by Council, as set forth in the Order in Council of date 1st April last, and which for convenience of reference may be here repeated.

"The boundaries of Manitoba were originally fixed at the instance of the delegates from that Province who came to Ottawa in the year 1870, to adjust with the Government of Canada the terms upon which Manitoba was to enter the Confederation of Her Majesty's North American Provinces.

"The limits then agreed to embraced an area of about 9,500,000 acres. In the year 1881, these limits were enlarged and territory added to the west and north, making the total area of the Province 96,000,000 acres, or 150,000 square miles.

"In the same year the true western boundary of Ontario was fixed as the eastern limit of Manitoba, which may add largely to the area of the Province.

"The total areas of the other Provinces of the Dominion were in 1882, as follows:—

PROVINCE.	SQUARE MILES.	ACRES.
Ontario.....	109,480	70,067,200
Quebec.....	193,355	123,747,200
New Brunswick.....	27,322	17,486,080
Nova Scotia.....	21,731	13,907,840
Prince Edward Island.....	2,133	1,365,120
Manitoba.....	150,000	96,000,000
British Columbia (including Vancouver and other Islands).....	390,344	249,820,160
North-west Territory.....	1,868,000	1,195,520,000
Keewatin District.....	309,077	197,809,280
Islands in Arctic Ocean.....	311,700	199,488,000
" Hudson's Bay.....	23,400	14,976,000
Total.....	3,406,542	2,180,186,880

"The further enlargement now asked for by Manitoba would add about 180,000 square miles to the already large area of the Province, and would be viewed with disfavor as well by the old Provinces as by the new Districts of Assiniboia, Saskatchewan, Alberta and Athabasca, which have been created in the North-West Territories, and which will ultimately become Provinces of the Dominion. It would largely add to the expense of the Government, without increasing the resources of Manitoba, already pronounced by the Government of the Province to be insufficient to meet its normal and necessary expenditure.

"The Committee, under these circumstances, humbly submit to Your Excellency, that it is inexpedient to alter the boundaries of the Provinces as prayed for.

"It having, however, been represented to them that the enlargement to the North is sought for by Manitoba chiefly in connection with the desire of that Province to extend Railway communication to the waters of Hudson's Bay, the Committee recommend that the Government of Manitoba be informed that Your Excellency's advisers will notify the two existing Companies who hold charters from the Canadian Parliament to construct Railways between Manitoba and Hudson's Bay, that the public interests demand the amalgamation of their Companies, and that if they will unite and make provisions satisfactory to Manitoba, for the early construction of the Railway, and against pooling or amalgamating with other Railways, and against excessive freight charges, application will be made to Parliament to convert the sale which it was intended to have made to those Companies of six thousand four hundred (6,400) acres per mile of

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Railway within the Province at a dollar per acre, and twelve thousand eight hundred (12,800) acres per mile outside the Province at half a dollar per acre into a free gift.

"Failing which, Parliament will be asked to authorize the land to be given in the like way to either one of the said incorporated Companies, giving satisfactory assurances of its ability to construct the Railway ; and failing this last, then to any other Company satisfactory to Manitoba, and that every facility will be given to incorporate such last mentioned Company." Parliament having given the necessary authority to the Dominion Government to carry into effect the foregoing cited offer of free lands in aid of the Hudson's Bay Railway, your Sub-Committee is of opinion that the said Order in Council of 1st April, should, in respect to the extension of boundaries, be satisfactory to the Legislature of Manitoba

In the consideration of the various proposals submitted and claims advanced by the delegates on behalf of the Province of Manitoba your Sub-Committee have, consistent with Federal obligations and the interest of the Dominion, felt the deepest anxiety to further the welfare and progress of that Province, and in recommending to His Excellency the Governor General in Council, for submission to Parliament, the very liberal propositions embodied in this report, only do so in the full anticipation that they will be satisfactory to the people of Manitoba, and upon the condition that they will be accepted by the Legislature of that Province as a settlement of the claims so earnestly urged by the delegation charged with their submission at Ottawa.

The Committee of the Privy Council adopt the foregoing report of the Sub-Committee and the several recommendations made therein, and they submit the same for Your Excellency's approval.

JOHN J. MCGEE,
Clerk, Privy Council.

To His Excellency The Most Honourable Sir Henry Charles Keith Petty-Fitzmaurice, Marquis of Lansdowne, in the County of Somerset, Earl of Wycombe of Chipping Wycombe, in the County of Bucks, Viscount Calne and Calstone, in the County of Wilts, and Lord Wycombe, Baron of Chipping Wycombe, in the County of Bucks, in the Peerage of Great Britain ; Earl of Kerry and Earl of Shelburne, Viscount Clanmaurice and Fitzmaurice, Baron of Kerry, Lixnaw and Dunkerron, in the Peerage of Ireland ; Knight Grand Cross of our Most Distinguished Order of Saint Michael and Saint George ; Governor General of Canada, and Vice-Admiral of the same.

MAY IT PLEASE YOUR EXCELLENCY :—

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly of the Province of Manitoba, in Legislature assembled, humbly approach Your Excellency, for the purpose of representing :—

Whereas this House, having fully considered the proposition of your Government, contained in the Report of a Committee of the Honourable the Privy Council, approved by Your Excellency on the 20th of May, 1884, in answer to the representations of the Delegates appointed to urge upon the Privy Council a settlement of the claims of this Province, regrets that your Government have not seen fit to accede to the request of this House as presented by its Delegates.

1st. "Upon the claim urged by the Delegates on behalf of the province to the control, management and sale of the public lands within its limits, for the public uses thereof, and the mines, minerals, wood and timber thereon, or an equivalent therefor, and to receive from the 'Dominion Government' payment for the lands already disposed of by them within the Province, less cost of surveys and management."

The Privy Council have taken the following view :—

The lands of Manitoba hold a very different position in relation to the Dominion Government, from the lands of the other Provinces. Shortly after the Union of the old Provinces, the Government formed from that Union purchased at a large price in

cash, all the rights, titles and interests of the Hudson's Bay Company in and to the territory out of which the Province of Manitoba has been formed, it incurred further a very large expenditure to obtain and hold this territory in peaceable possession, and at a still further cost which is continuous and perpetual, is extinguishing Indian titles and maintaining the Indians, so that the Dominion Government has a very large pecuniary interest in the soil which does not exist in respect to any other of the Confederated Provinces.

The purpose expressed in the Memorandum of instructions for which the lands are sought "is that they may be applied to the public uses of Manitoba."

This purpose seems to be most fully met by the Federal Government already, viz :— in providing railway communication to and through Manitoba, in aiding the settlement of vacant lands, and in public works of utility to the Province.

It was urged by the Delegates that the Canadian Pacific Railway is being constructed in fulfilment of the terms of Union with British Columbia, and not in the interests of Manitoba and the North-West. The Sub-Committee, however, maintained that desirable as it may be to have railway connection with that Province, Parliament would not have gone beyond the original proposition of a waggon road, had not the Dominion Government been the owner by purchase of a large territory which would be made accessible and valuable by railway, and largely contributory to the cost of so great an undertaking. Accompanying the proposition to construct a railway was the declaration that the lands of the North-West would bear a considerable proportion of the cost, and from time to time large subsidies in land were offered to any Company that would undertake the work. In 1880 Parliament solemnly set aside one hundred million acres of those lands towards meeting the cost of the work, and in 1881 contracted with the Canadian Pacific Railway Company to hand over certain portion of constructed road, together with twenty-five millions of dollars in cash, and grant twenty-five million acres of land for the completion of the line. It was not to be expected that the lands could be made available to meet a cash expenditure until some time after railway connection was had with and through them, and therefore the expenditure in construction and in cash subsidy may be regarded as an advance to be repaid from the lands. This cash expenditure or advance when existing contracts are completed may be stated as follows :—

Cash expenditure from Callendar to Port Arthur, say, subsidy.	\$10,000,000 00
Port Arthur to Red River, construction.	15,000,000 00
Pembina Branch, construction.	1,500,000 00
Winnipeg and Western boundary of Province, subsidy.	2,150,000 00
<hr/>	
Total cash expenditure.	\$28,650,000 00

by the Dominion Government to make connection with and through the Province of Manitoba.

The Dominion Government has also set apart at greatly reduced prices, lands to aid in the construction of other roads in Manitoba and the Territories, and given free of cost a large acreage in aid of a line to Hudson's Bay, so that the Dominion Government is as stated, using the "Public Lands of Manitoba for the benefit thereof." Moreover, it should not be forgotten that it is provided in the Act of 1881, for an annual cash payment of \$45,000, which was then accepted in lieu of public lands. Other considerations of vital import to the Province of Manitoba have much weight with your Sub-Committee. The success of all the undertakings by the Dominion Government in and for the North-west, depends largely upon the settlement of the lands, combined with a great expenditure in organizing and maintaining an immigration service abroad and at home.

Parliament pledged its faith to the world that a large portion of those lands should be set apart for free homesteads to all coming settlers, and another portion to be held in trust for the education of their children. No transfer could therefore be made without exacting from the Province the most ample securities that this pledged policy shall be maintained, hence in so far as the free lands extend there would be no monetary advantage to the Province, whilst a transfer would most assuredly seriously embarrass

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all the costly immigration operations which the Dominion Government is making mainly in behalf of Manitoba and the Territories.

The great attraction which the Dominion Government now offers, the impressive fact to the mind of the man contemplating emigration, is that a well known and recognized Government holds unfettered in its own hand the lands which it offers free, and that that Government has its agencies and organization for directing, receiving, transporting and placing the immigrant upon the homestead which he may select. And if the immigration operations of the Dominion, which involve so large a cost, are to have continued success and to be of advantage to Manitoba and the North-West Territories, your Sub-Committee deem it to be of the utmost importance that the Dominion Government shall retain and control the lands which it has proclaimed free to all comers. Were there other considerations of sufficient force to induce them to recommend their transfer to Manitoba, and as a consequence and by precedent, the surrender to the Provinces to be created from the North-West Territory all the lands within their "boundaries," then they would advise that the Provinces holding the lands should conduct their own immigration operations at their own expense.

The attention of the Sub-Committee has been directed to the procedure of the Federal Government of the United States in the organization of new States, and they find that it rigidly retains the Public Lands of the State, except those it may appropriate for specific purposes, allotting to the State only Swamp Lands which, when drained, become a source of profit.

In the Province of Manitoba there is a considerable area of similar lands, which, when drained, are fit for settlement and very valuable.

It having been decided that the necessary works for drainage could be best supervised by the Local Authorities, an agreement was made with them to undertake certain portions of it for a moiety of the lands re-claimed.

The Sub-Committee submit that it is expedient to recommend to Parliament a modification of this arrangement, and that all lands in Manitoba which can be shown to the satisfaction of the Dominion Government to be Swamp Lands shall be transferred to the Provincial Government and inure wholly to its benefit.

This would place Manitoba in respect to Public Lands in as favourable a position as the States of the Union, irrespective of the annual allowance of \$45,000, whilst in public expenditure by the General Government, directly and indirectly for her advantage, Manitoba has been dealt with far more liberally than has any other Province, or than any State of the Union, by the Federal Government of the United States.

It has always been claimed by this Legislature that the intention of the promoters of Confederation has not been carried out in the creation of this Province as it was in the Union of the originally confederated Provinces, and in the admission of those Provinces which became confederated subsequent to the creation of Manitoba. It is evident that the spirit of "The British North America Act" is, that each Province admitted into confederation, as well as those originally confederated, should be placed on the same status, more especially with reference to the control of the Public Lands within each Province being vested in such Province. This was carried out in the instance of Prince Edward Island, which had no Public Lands, but was allowed the sum of \$800,000 to enable her to acquire lands held by private parties within the Province; but in Manitoba, on her admission into Confederation, there were Public Lands and they should have become vested in the Province as was the case in the other Provinces of the Dominion. The repetition of the statement that the Dominion Government, having purchased at a large price in cash, all the rights, titles and interests of the Hudson's Bay Company in and to the territory out of which the Province of Manitoba has been formed, entitles them to consider Manitoba as having a different status in Confederation to the other Provinces is invidious, and this House feels that the time has arrived when the repetition of such a statement should cease. So far as the Hudson's Bay Company is concerned, they never established a claim to a title to the lands except those to which Lord Selkirk had extinguished the Indian title and which were subsequently re-purchased from his successors by the Hudson's Bay Company. On the contrary the settlers at

Point de Chene and other places settled there under the homestead law adopted by the Council of Assiniboia irrespective of the Hudson's Bay Company.

The extinction of the Hudson's Bay title cannot be viewed by this House in any other light than that of the purchase from the Hudson's Bay Company of certain rights which were held by that Company to the detriment of the people of Canada, and which were extinguished by the Government thereof in the same way that in the other Provinces they have extinguished other rights created in former ages and which obstructed the progress and development of the people.

And without reflecting on the policy of the Federal Government or criticising the manner adopted by them in assuming control of the Red River District, this Legislature submits that the people of this country should not be held responsible for the expense incident to the establishment of the authority of the Dominion in this Province.

The construction of the Canadian Pacific Railway, a line running from one end of the Dominion to the other, is an enterprise of a wholly national character and the expenses connected therewith should be borne by the Dominion. Although its construction was one of the conditions upon which the Province of British Columbia entered Confederation, that Province was not called upon to contribute in any way towards its construction, but on the contrary was indemnified in the sum of \$100,000 annually for the right of way and for the land covering an area of 20 miles on each side of the line. Thus in the case of British Columbia the Province does not only receive a similar benefit to what Manitoba is receiving, but in addition receives compensation for the right of way as previously stated. Why should Manitoba as a Province be made to contribute towards the construction of that railway while no other Province of Canada is charged a similar contribution? Even were the Canadian Pacific Railway entirely a local line the reasons set forth in the appropriation of the lands of Manitoba for its construction would be inadmissible, as the same would only be analogous to the assumption by the Federal Government of lines purely local in other Provinces.

As to local railways: Had Manitoba been possessed of the territory she would have been able to subsidize their construction, which are so essential to the prosperity of her people.

This Province has already offered to redeem every pledge given by the Federal authorities in respect to the setting apart of free homesteads to all coming settlers and for the education of their children.

The proposal that this Province shall become possessed of only the Swamp Lands, together with the grant of \$45,000 a year is not acceptable to this Legislature as a compensation for the equitable claim that this Province has always preferred to all the lands thereof.

2nd. "The Delegates urged the transfer, to the Local Government, of the lands set apart for education, with a view to capitalize the sums realized from the sales and apply the interest accruing therefrom to supplement the annual grant of the Legislature in aid of education."

Had your Sub-Committee decided to recommend the first proposition they might have regarded this somewhat differently; but inasmuch as the retention of the general lands involved the maintenance of a Staff organization for their management the Committee deem that the School Lands can by that organization be best cared for.

The Dominion Government has taken no action in relation to those lands without full consultation with the local authorities and, pending sales, has sanctioned advances of \$60,000 on account, for educational purposes.

Of past action Manitoba cannot complain, and with but one object common to both governments, and with the established practice of consultation, no just cause of complaint is likely to occur. Under the provisions of the law the proceeds of all sales will be invested in government securities, and the interest received on account thereof, paid annually to the government of the province for school purposes.

It is almost impossible to conceive a mode of management more likely to be satisfactory to the people, and affording greater security for a trust deliberately and voluntarily set apart by the Dominion Government as sacred to the education of the children of settlers. Whilst the Dominion Government has thus wisely made a generous provis-

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ion in aid of general education in the province the sub-committee submit that in view of the rapid increase of its population the time has come when provision may be made to secure the maintenance of a university capable of giving a proper training in the higher branches of education; and to attain this end, an allotment of land, not exceeding one hundred and fifty thousand acres of fair average quality, should be selected by the Dominion Government and granted as an endowment to the university of Manitoba to be held in trust for the purpose referred to upon some basis or scheme to be framed by the university and approved by the government of the Dominion.

As to the school lands this House can only reiterate the arguments already advanced in favour of their control being vested in the province. The grant of 150,000 acres as an endowment to the University of Manitoba is considered by this House advisable, and should the province become possessed of her public lands, pledges itself to carry out that proposition.

3rd. "The adjustment of the Capital Account of the province decennially according to population, the same to be computed now at 150,000 souls, and to be altered until it corresponds to the amount allowed the province of Ontario on that account."

At the Confederation of the provinces it was found advisable and necessary to allow to each a Capital Account, because large expenditures involving debts had been made by all the provinces on works of a public character, such as canals, railways, harbours, piers, lights, and public buildings, most of which were transferred to the Dominion Government.

It would have been manifestly unfair to have transferred the assets without providing for the debts which they created, and for which each province was liable.

To meet this a rate per head of the population was adopted and found to meet the case as the debts of the provinces were nearly in proportion to the population.

Subsequently, upon the admission of other provinces, it was found that their debts did not reach the same per capita allowance given to those first confederated, but it was held that although the province had not made the expenditure, it was desirable to give it the same allowance, the surplus after covering indebtedness, to form a capital, the interest on which would enable its government to make such internal improvements as were of a provincial and general benefit. Upon the organization of Manitoba a similar course was pursued and the population estimated at 17,000. This was a small number for a province, and it may be fair to assume that in ordinary circumstances the expenses and responsibilities of government would not have been placed upon a population so small, a per capita allowance based on that population did not give a sum sufficient to meet any considerable expenditure, and, in consequence, the provincial government has drawn upon the Capital sum, and the Dominion has also made expenditures within the province which are held to be strictly local and which, in the other provinces, were borne out of provincial funds. The population of the province having now largely increased, it is desirable that the province shall be placed, so far as practicable, in a position to maintain the necessary local expenditure, and the sub-committee recommend that the same per capita allowance as was made on a population of 17,000 be now made on 150,000, and that the capital sum therefrom be charged with such advances as have already been made from the former capital account, and such expenditures as the Dominion Government has made within the province of a strictly local character. To meet the expenditure of the present fiscal year it is estimated that in consequence of the construction of a lunatic asylum and other exceptional services, another advance from the old Capital Account, to the extent of \$150,000, will be necessary and the Committee advise that under the provision of the Act creating the province, it be made and held chargeable against the Capital Account, or any readjustment thereof sanctioned by Parliament.

In reference to the allowance of capital on a population of 150,000 souls instead of 17,000 as previously fixed, this House is of opinion that the same is a step in the right direction and only regrets that there is no assurance given that the same will be allowed on the increased population as may be ascertained decennially. This being the most important source to which the province could look for a revenue to meet its increasing requirements, this Legislature is of the opinion that the same should not be limited to

150,000 souls, but should be adjusted decennially, as urged by the Delegates; and is further of opinion that a full statement of those expenditures made by the Dominion Government, and referred to as of a strictly local character, the cost of which it is the intention to deduct from the amount of the debt capital allowed, should have accompanied the report in order that this House would be in a position to estimate accurately its revenue from that source, which under the ambiguous reference thereto in the above mentioned report it is unable to do.

4th. "The right of the Province to charter lines of railway from any one point to another within the province, except so far as the same has been limited by its Legislature in the Extension Act of 1881."

This question has, no doubt, arisen in consequence of the disallowance of certain acts of incorporation granted by the Legislature of Manitoba, which were held to conflict with the spirit of Canadian policy as embodied in the Canadian Pacific Railway Act, which contains a clause preventing the Dominion Parliament authorizing the construction of any railways south of the Pacific line and running from any point at or near the Canadian Pacific Railway, except such lines as shall run south-west, nor to within 15 miles of latitude 49°. Throughout the whole discussion upon the Pacific Railway, both in and out of Parliament, up to the ratification of the contract of 1880, there was no proposition received with so great unanimity and approval as, that the railway should not, at least for a time, whether constructed by the Government or a company, be tapped by lines running into the United States and its legitimate traffic drawn to that country instead of passing down to the seaboard over Canadian soil. Not only was this held to be in the interest of the whole people, but it is safe to assert that a company could not have been found to undertake the work without this guarantee. Whatever the provisions of the Canadian Pacific Railway Act are, the province of Manitoba had in advance assented to, in accepting an extension of her boundaries and an increase of area about tenfold, under an Act which provided, 'that the said increased limit and territory thereby added to the province of Manitoba, shall be subject to all such provisions as may have been or shall hereafter be enacted respecting the Canadian Pacific Railway and the lands to be granted in aid thereof. Having accepted the increased area upon the above conditions, and knowing the long avowed policy of parliament, to prevent the legitimate trade of the country and traffic of the Canadian Pacific Railway being diverted to the United States, the sub-committee consider that no injustice will be done to the people of Manitoba by the exercise of such supervision by the dominion government over the railway charters sought from the dominion parliament or passed by the legislature of Manitoba as will maintain this policy and the condition of the Canadian Pacific Railway Act until the expiry of the time named therein, or until the road is opened and trade established, when it is believed it may be repealed or modified, without injustice and with the consent of the contracting parties.

Although admitting that this province has committed itself not to exercise any legislative powers in reference to chartering railways, which would conflict with the Canadian Pacific Railway Act within the added territory, this house is nevertheless of opinion that this concession does not affect the exercise of that right within the limits of Manitoba as it existed previous to the extension, and insist that they should be left to the full exercise of all their powers to charter local railways from one point to another within the old province, and in the added territory north of the 15-mile limit.

5th. "That the grant of 80 cents a head be not limited to a population of 400,000 souls, but that the same be allowed the province until the maximum on which the said grant is allowed the province of Ontario be reached."

The Act of confederation places the per capita allowance upon the population given to each province by the census of 1861, but in the case of Nova Scotia and New Brunswick allows a decennial increase until a population of 400,000 be reached. In the admission of Manitoba with a small population, it was provided that she should have the same advantages and be placed upon terms of equality with those two named older provinces, one of which has now passed the maximum number. In view of the fact that some considerable time must elapse before the maximum allowed to Manitoba is reached, and that the question affects all the provinces of the confederation, the sub-

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committee deem it more advisable to give attention to the means by which aid can be given to the province within the maximum number named in the Act.

The increase of population in the province of Manitoba has been exceptionally rapid, and would warrant a more frequent census than that named, and the sub-committee has to repeat that portion of the Order-in-Council of April 1, 1884, bearing upon this question, and 'advise that a quinquennial census of the province of Manitoba be taken hereafter, reckoning from September, 1881, and that between the future takings of the census approximate estimates should be made at evenly divided periods, so that the sum granted to the province for the purpose above mentioned may be revised four times in each decade, and in each instance adjusted according to population until the number of the inhabitants shall have reached 400,000, and they further advise that the first of such approximate estimates be made on the 1st September next when, if the population should be found to exceed 150,000, at which the grant in aid is now made, the first re-adjustment should take place.'

The proposal to adjust the 80 cents a-head grant on a quinquennial census is received with satisfaction; and should the Dominion deem it advisable to increase the maximum number allowed the respective Provinces on which the 80 cents a-head is to be paid, the Province of Manitoba insists that her claims shall not be overlooked in the general adjustment.

6th. "The granting to the Province extended railway facilities, notably, the energetic prosecution of the Manitoba South-western, the Souris and Rocky Mountain, and the Manitoba and North-western Railways."

The sub-committee has assured the delegates of the earnest desire of the Dominion Government to extend railway facilities in Manitoba and the North-west in any direction that will not conflict with the general interest and the engagements of the Government, and has cited in proof thereof the extraordinary expenditure made upon the main Pacific Line, and the grants of land hereinbefore referred to, together with a grant already made of \$100,000 to commence explorations in Hudson's Bay to test the practicability of a commercial outlet in that direction for the products of the North-west.

The assurance of the earnest desire of the Dominion Government to extend railway facilities in Manitoba and the North-West is received with satisfaction, and the opinion of this House is, should the Province obtain control of its Public Lands, the policy adopted by the Dominion Government could be advantageously supplemented by a modification of the terms upon which lands have been granted in aid of the railways referred to, by merely charging those railway companies with the cost of surveys and management of those lands. The difficulties encountered in raising money for the prosecution of these enterprises induce this Legislature to strongly urge upon the Government the modification suggested.

7th. "To call the attention of the Government to the prejudicial effects of the Tariff on the Province of Manitoba."

In the discussion on this point the Sub-Committee is of opinion that it was not shown that the effect of the tariff is prejudicial to the Province, or that it operates exceptionally unless perhaps in some few cases which it is believed will be remedied, as means of transport from the other Provinces improve, or which if not so remedied may be adjusted on the recommendation of the Ministers of Finance and Customs.

With reference to this discussion this House begs to call the attention of the Privy Council to a Report of a Select Committee appointed by this Legislature to inquire into the operation of the Tariff on Agricultural Implements, Lumber, Canned Fruits, etc., which is annexed thereto:—

TARIFF REPORT.

Your Committee, in submitting this, their Final Report, beg to state that they have held seven meetings, and received the evidence of the most prominent business men respecting the several branches of trade coming within the scope of their enquiry. Taking a conjunct view of the information they have obtained, your Committee would

1 EDWARD VII., A. 1901

respectfully submit the following as their report on the subject submitted to them by this House for their investigation:—

1. In Manitoba, not yet able to produce the necessities of life, the effect of the present tariff on articles absolutely necessary for settlers bears very heavily upon our people as compared with those who have settled in the older provinces of the Dominion. This fact is plainly shown by statements hereto annexed, compiled from official Trade returns of the Dominion. By reference to these returns it will be seen that the Province of Manitoba has paid more duty than all the other provinces put together, on the following articles:

(1.) Agricultural implements, for example, mowing, reaping and threshing machines, plows, etc.

(2.) Animals and flesh meats, including bacon, hams, beef, pork and canned meats; and

(3.) Timber, lumber and manufactures of wood.

Out of a total of \$1,073,217, this province paid \$539,747 or two and one-third times more than Ontario, four and one-third times more than Quebec, ten times more than British Columbia, eleven times more than New Brunswick, thirteen times more than the North-west Territory, fifteen times more than Nova Scotia, and two hundred and eighty times more than Prince Edward Island. If the amount of duty per head of population be computed it will be seen from statement No. 3 that Manitoba is very heavily handicapped. Taking the total population the duty per head is \$8.18, while the other provinces average only 32 cents, and if the total occupiers of land be taken, the difference as against Manitoba, will be very much greater, Manitoba farmers paying \$60 per head, while those of the other provinces average \$9.02, and if British Columbia and the North-west Territory are excluded the average per head will be brought down to 83 cents for the older provinces. These figures show most conclusively that the effect of the present Tariff on these necessary articles has been against settlers coming into this new country.

2. As corroborating the above, your Committee hereunder give the following statements, made by the several gentlemen mentioned in their evidence before the Committee.

Mr. Fairchild (of Westbrook & Fairchild) states that if the Tariff was lowered to 20 per cent, his company would continue to manufacture Agricultural Implements and do well, and that an improvement in the quality of Canadian manufactures would follow.

Mr. L. M. Jones, (of Harris & Son) states that his firm was in as good a position to hold this market under the Revenue Tariff of $17\frac{1}{2}$ per cent as they are now.

Messrs. Banning (of Dick & Banning), Crowe (of Boyd & Crowe), and Woods (of McIntyre, Woods & Co.), representing the Lumber Trade, state that they do not need the duty to protect the manufactures as the cost of freight is quite sufficient protection.

Mr. K. McKenzie, President of the Board of Trade, and Mr. Galt, who represents the Wholesale Grocery, Provisions, Canned Fruit and Vegetable Trade, state that as no fruit is grown in this country, the duty being specific, bears high upon the people of this Province; they favour ad valorem duties. The present specific duty on canned fruits and vegetables runs from 45 to 116 per cent on the original cost of the article.

3. The evidence of these gentlemen goes to show that they did not require the present heavy duties to protect the lines of goods they represent, and that they could have done as well, if not better, with a much lower tariff.

4. The principal of differential duties has been admitted in the present tariff by placing forest trees for planting on the free list when imported into Manitoba and the North-west territory. Had this principle been extended, say for two years, to those articles used and consumed by settlers in a new country, not only the settlers who paid the duty, but the whole country would have been benefitted. With the money thus paid, the settler could have sent for his family or friends, or cultivated a very much larger area of land, and in a very short time become a large producer of all kinds of agricultural products, thereby enriching himself and the country, besides producing grain and live stock to supply freight to the existing and projected lines of railway.

The whole of which is respectfully submitted.

A. A. C. LARIVIERE, Chairman.

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No. 1.—STATEMENT, showing the value of the undermentioned Articles imported into each of the Eight Provinces of the Dominion of Canada, during the fiscal years ending 30th June, 1882 and 1883, with the amount of duty paid thereon.

ANIMALS, LIVING, OF ALL KINDS.

Province.	1882.			1883.		
	Quantity.	Value.	Duty.	Quantity.	Value.	Duty.
	No.	£	£	No.	£	£
Ontario	334	20,900	4,180	288	22,044	4,409
Quebec	190	8,396	1,679	194	8,571	1,725
Nova Scotia	4	283	57	8	552	100
New Brunswick	35	1,970	394	55	2,862	572
Manitoba	5,688	250,208	49,942	9,307	256,983	51,496
P. E. Island	1	5	1			
British Columbia	8,646	31,086	6,217	12,209	57,893	11,679
N. W. Territory	8,228	120,018	24,003	6,650	168,318	33,663
Total	23,106	432,866	86,473	28,711	517,223	103,644

AGRICULTURAL IMPLEMENTS—MOWING, REAPING, THRESHING MACHINES, AND PLOUGHS.

Provinces.	1882.		1883.	
	Value.	Duty.	Value.	Duty.
	£	£	£	£
Ontario	15,248	4,229	85,253	23,412
Quebec	23,476	6,802	55,121	16,882
Nova Scotia	13,060	3,703	26,628	8,175
New Brunswick	7,914	2,214	24,397	6,646
Manitoba	1,900	567	363,709	91,736
P. E. Island	3,714	984	1,649	513
British Columbia	21,307	6,243	23,906	7,282
N. W. Territory	1,542	414	2,402	601
Total	88,261	25,156	583,065	155,248

BACON AND HAMS.

Provinces.	1882.			1883.		
	Quantity.	Value.	Duty.	Quantity.	Value.	Duty.
	Lbs.	£	£	Lbs.	£	£
Ontario	449,251	49,164	8,986	379,310	57,852	7,586
Quebec	73,790	8,968	1,476	35,230	4,890	705
Nova Scotia	118,768	9,924	2,376	32,864	4,607	657
New Brunswick	16,479	1,928	330	22,420	2,431	448
Manitoba	2,573,000	297,408	51,460	2,615,599	326,102	52,312
British Columbia	166,561	23,390	3,322	414,590	65,245	8,292
P. E. Island						
N. W. Territory	87,487	10,475	1,750	177,526	27,264	3,551
Total	3,485,336	401,257	69,700	3,677,539	488,391	73,551

BEEF.

Provinces.	1882.			1883.		
	Quantity.	Value.	Duty.	Quantity.	Value.	Duty.
	Lbs.	£	£	Lbs.	£	£
Ontario	76,562	6,445	766	365,372	25,518	3,654
Quebec	25,778	1,595	258	22,060	1,490	220
Nova Scotia	458,381	26,986	4,584	524,473	34,158	5,245
New Brunswick	80,800	4,958	808	104,369	7,232	1,044
Manitoba	271,937	18,542	2,719	745,376	50,869	7,454
British Columbia	12,015	428	120	6,135	272	61
P. E. Island						
N. W. Territory	800	48	8	2,000	250	20
Total	926,273	59,002	9,263	1,769,786	119,789	17,698

PORK.

Provinces.	1882.			1883.		
	Quantity.	Value.	Duty.	Quantity.	Value.	Duty.
	lbs.	\$	\$	lbs.	\$	\$
Ontario.....	7,045,130	601,688	70,451	6,710,000	615,722	67,100
Quebec.	3,257,983	278,413	32,580	2,782,300	255,555	27,823
Nova Scotia	367,294	33,949	3,673	364,702	38,178	3,647
New Brunswick ..	1,711,065	152,255	17,110	1,736,900	169,276	17,369
Manitoba	1,204,601	99,971	12,046	1,214,590	106,755	12,145
British Columbia ..	24,181	2,271	242	34,420	3,203	344
P. E. Island						
N. W. Territory.						
Total. ...	13,610,254	1,168,547	136,102	12,842,912	1,188,689	128,428

CANNED MEATS, TOMATOES AND OTHER VEGETABLES.

Provinces.	1882.		1883.	
	Value.	Duty.	Value.	Duty.
	\$	\$	\$	\$
Ontario.....	21,927	3,829	63,422	11,511
Quebec.	33,449	5,911	51,499	9,322
Nova Scotia ..	7,631	1,504	25,944	4,810
New Brunswick ..	6,317	1,302	25,522	4,978
Manitoba ..	51,798	9,699	87,846	15,964
British Columbia ..	19,613	4,252	38,368	8,035
P. E. Island	398	78	1,425	300
N. W. Territory.....	23,394	3,95	43,108	2,355
Total.....	164,527	29,511	307,974	57,276

LUMBER AND MANUFACTURES OF WOOD.

Provinces.	1882.		1883.	
	Value.	Duty.	Value.	Duty.
	£	£	£	£
Ontario.....	293,555	77,139	430,152	110,437
Quebec.....	208,014	54,730	253,898	68,395
Nova Scotia.....	34,399	9,495	51,923	13,987
New Brunswick.....	54,760	15,481	60,672	17,837
Manitoba.....	819,205	192,132	1,330,451	308,640
P. E. Island.....	5,642	1,542	2,879	1,112
British Columbia.....	35,178	9,702	57,756	16,640
N. W. Territory.....	1,430	379	1,766	374
Total...	1,452,183	360,600	2,189,497	537,422

RECAPITULATION.

	1882.		1883.	
	Value.	Duty.	Value.	Duty.
	£	£	£	£
Animals.....	432,866	86,473	517,223	103,644
Agricultural implements, &c..	88,261	25,156	583,065	155,248
Bacon and hams...	401,257	69,700	488,391	73,551
Beef.....	59,002	9,263	119,789	17,698
Pork.....	9,168,547	136,102	1,188,689	128,428
Canned meats and vegetables.....	164,527	30,511	307,074	57,276
Lumber and manufactures of wood.....	1,452,183	360,600	2,189,497	537,422
Total.....	3,766,643	717,805	5,393,728	1,073,247

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No. 2.—STATEMENT showing the Value of Articles (*) enumerated in No. 1 Statement imported into the Provinces during the fiscal years 1882 and 1883, and the Duty paid thereon.

Provinces.	1882.		1883.	
	Value.	Duty.	Value.	Duty.
	\$	\$	\$	\$
Manitoba	1,539,032	318,565	2,522,715	539,747
Ontario.....	1,008,927	169,580	1,299,963	228,109
Quebec.....	562,311	103,436	631,024	125,072
British Columbia	133,273	30,078	246,583	52,335
New Brunswick	230,102	37,639	292,392	48,894
North-west Territories.....	157,007	30,510	213,108	40,564
Nova Scotia.....	126,232	25,392	181,990	36,621
Prince Edward Island.....	9,759	2,605	5,953	1,925
Total.....	3,766,843	717,805	5,393,728	1,073,267

(*) Animals, agricultural implements, mowing, reaping and threshing machines, ploughs, bacon and hams, beef and pork, canned meats and vegetables, timber, lumber and manufactures of wood.

No. 3.—STATEMENT showing the amount of Duties paid per head of population in each Province for the year ending June 30, 1883, on the following *Articles :—

Provinces.	Total Population.	Total Occupiers of Land.	Total Amount of Duty Paid.	AMOUNT PAID PER HEAD OF	
				Total Population.	Total Occupiers of Land.
			\$	\$ cts.	\$ cts.
Ontario.....	1,923,228	206,989	228,109	0 11 $\frac{3}{4}$	1 10
Quebec.....	1,359,027	137,863	125,072	0 09 $\frac{1}{4}$	0 90
Nova Scotia.....	440,572	55,873	36,621	0 08 $\frac{1}{2}$	0 70
New Brunswick	321,233	36,837	48,894	0 15	1 30
Manitoba	65,954	9,077	539,747	8 18	60 00
Prince Edward Island.....	108,891	13,629	1,929	0 01 $\frac{3}{4}$	0 14
British Columbia	49,459	2,743	52,335	1 04	19 00
North-west Territory	56,446	1,014	40,564	0 72	40 00
Total.....	4,324,810	464,025	1,073,267		

* Animals, agricultural implements, mowing, reaping and threshing machines, ploughs, bacon and hams, beef and pork, canned meats and vegetables timber lumber, and manufactures of wood.

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8th. Extension of Boundaries.—The sub-committee having given to this proposal and the arguments advanced by the delegates, the most careful consideration cannot recommend any change or modification of the views entertained by Council as set forth in the Order in Council of date of April 1st last, and which for convenience of reference may be here repeated :—

‘The boundaries of Manitoba were originally fixed at the instance of the delegates from that province who came to Ottawa in the year 1870 to adjust with the Government of Canada the terms upon which Manitoba was to enter the Confederation of Her Majesty’s North American Provinces.

‘The limits then agreed to embrace an area of about 9,500,000 acres. In the year 1881 these limits were enlarged and territory added to the west and north, making the total area of the province 96,000,000 acres or 150,000 square miles.

‘In the same year the true western boundary of Ontario was fixed as the eastern limit of Manitoba which may add largely to the area of the Province. The total areas of the other provinces of the Dominion were in 1882 as follows :—

Provinces.	Square Miles.	Acres.
Ontario.....	109,480	70,067,200
Quebec	193,355	123,747,200
New Brunswick.....	27,322	17,486,080
Nova Scotia	21,731	13,907,840
Prince Edward Island..	2,133	1,365,120
Manitoba.....	150,000	96,000,000
British Columbia, including Vancouver and other islands ...	390,344	249,820,160
North-west Territory.....	1,868,000	1,195,520,000
Islands in the Arctic Ocean..	311,700	199,488,000
Keewatin District.....	309,077	197,809,280
Islands in Hudson’s Bay	23,400	14,976,000

Total areas by square miles, 3,406,542 ; acres, 2,180,186,880.

The further enlargement now asked for by Manitoba would add about 180,000 square miles to the already large area of that province, and would be viewed with disfavour as well by the old provinces as by the new Districts of Assiniboia, Saskatchewan, Alberta and Athabasca, which have been created in the North-west Territories and which will ultimately become provinces of the Dominion. It would largely add to the expenses of the Government without increasing the resources of Manitoba already pronounced by the Government of the province to be insufficient to meet its normal and necessary expenditure. The Committee, under these circumstances, humbly submit to Your Excellency that it is inexpedient to alter the boundaries of the province as prayed for. It having, however, been represented to them that the enlargement to the north is sought for by Manitoba chiefly in connection with the desire of that province to extend railway communication to the waters of Hudson’s Bay, the Committee recommend that the Government of Manitoba be informed that Your Excellency’s advisers will notify the two existing companies who hold charters from the Canadian Parliament to construct railways between Manitoba and Hudson’s Bay, that the public interests demand the amalgamation of their companies, and that if they will unite and make provision satisfactory to Manitoba for the early construction of the railway, and against pooling or amalgamating with other railways and against excessive freight charges, application will be made to Parliament to convert the sale which it was intended to have made to those companies of six thousand four hundred (6,400) acres, per mile (1,708,000 acres) of railway within the province at a dollar per acre, and twelve thousand eight hundred (12,800) acres per mile (4,480,000 acres) outside the province at half-a-dollar per acre, into a free gift.

Failing which, Parliament will be asked to authorize the land to be given in the like way to either one of the said incorporated companies giving satisfactory assurance of its ability to construct the railway, and failing this last, then to any other company

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satisfactory to Manitoba, and that every facility will be given to incorporate such last mentioned company.

Parliament having given the necessary authority to the Dominion Government to carry into effect the foregoing cited offer of free lands in aid of the Hudson's Bay Railway, your Sub-Committee is of opinion that the said Order-in-Council of 1st April should in respect to the extension of boundaries be satisfactory to the Legislature of Manitoba.

In reference to extension of boundaries this House is of opinion that were the same conceded and a grant of the lands included in the territory so added handed over to the province a material benefit would be secured by having a seaport on Hudson's Bay. There being no probability of any province being formed between Manitoba and Hudson's Bay, this extension would not interfere with the rights or ambition of any other province; and it having been the channel through which for over two centuries access was obtained to this country that territory naturally belongs to Manitoba.

In the consideration of the various proposals submitted and claims advanced by the Delegates on behalf of the Province of Manitoba, your Sub-Committee have, consistent with Federal obligations and the interests of the Dominion, felt the deepest anxiety to further the welfare and progress of that province, and in recommending to His Excellency, the Governor General-in-Council, for submission to Parliament, the very liberal propositions embodied in this report, only do so in the full anticipation that they will be satisfactory to the people of Manitoba and upon the condition that they will be accepted by the Legislature of that province as a settlement of the claims so earnestly urged by the delegation charged with their submission at Ottawa.

It is obvious that the proposition made by the Federal Government cannot be accepted as a settlement of the claims urged by the delegation charged with their submission at Ottawa; and while appreciating some of the concessions proposed, this House, impressed with a sense of its responsibility to the people of this country, and having in view the best interests of this province, deems it its duty to decline the acceptance of the proposition for the reasons already adduced.

We therefore humbly pray that Your Excellency will be pleased to direct that such steps be taken as will meet the views of this House as expressed through its Delegates on the occasion of their late mission to Ottawa.

A. MURRAY,
Speaker.

WINNIPEG, 2nd June, 1884.

MANITOBA SCHOOL LANDS.

DEPARTMENT OF THE INTERIOR,
OTTAWA, June 23, 1891.

The Honourable
EDGAR DEWDNEY,
Minister of the Interior.

I have the honour to submit the annexed statement prepared by the Finance Department, shewing the position of the Manitoba School Lands Fund on the 30th June, 1890, which statement, however, is subject to revision and correction, and to make the following report upon the subject for your information and consideration:—

It is provided by sub-clause 3 of clause 25 of the Dominion Lands Act that all moneys from time to time realized from the sale of School Lands shall be invested in Securities of Canada to form a School Fund, and that the interest arising therefrom, after deducting the cost of management, shall be paid annually to the Government of the Province or Territory within which the land is situated.

The area of surveyed School Lands in Manitoba is 897,000 acres, and the estimated area of those unsurveyed, allowing for water areas, is about 1,000,000 acres, making a total of about 1,897,000 acres. Up to the present 21,717 acres of surveyed lands have

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been sold (exclusive of town lots at Rapid City), the sum of the sales being \$158,620 or nearly \$7.30 per acre.

In addition to this the sale of lots in the sub-division of the South half of School Section 29, Township 13, Range 19 West of the 1st Meridian, at Rapid City, amounted to \$2,598, bringing the total sum up to \$161,218.

The Dominion Lands Act provides that at least one-fifth of the purchase money of School Lands shall be paid in cash at the time of the auction sale, and the balance in four equal successive annual instalments, with interest at the rate of 6 per cent. per annum on the balances remaining unpaid from time to time.

The instalments on account of these sales received up to the 30th of June, 1890, amounted to \$114,052.57, leaving at that date \$52,119.20 of principal still outstanding. A large proportion of this sum has since been paid in, and the greater part of the balance becomes due in January, 1892.

The Fund has also been duly credited with the revenue derived from the Hay, Timber and Stone taken from School Lands in the Province under proper authority, the amount received on this account being as follows:—

Hay..	\$3,260.86
Timber	3,866.37
Stone Quarries	17.50
	<hr/>
	\$7,144.73

The whole amount therefore due on Manitoba School Lands account up to the 1st of July, 1890, is \$168,362.73 of which there had been paid at that date to the credit of the Receiver General the sum of \$121,197.30, interest on which, calculated in the manner and at the rate hereinafter explained, amounted to \$3,204.71, making a total sum of \$124,402.01 credited to the Fund.

On the other side of the account, the Fund has been charged with the sum of \$30,000.00 with interest, which sum was advanced to the Province on the security of its School Lands under the authority of the Act 41 Victoria, Chapter 13. This Act empowered the Governor in Council to advance to the Province for School purposes a sum not exceeding in the whole \$10,000.00 in each of the fiscal years 1878-79, 1879-80 and 1880-81.

For each of the Fiscal years 1878-79, 1879-80 the sum of \$10,000.00 was advanced to the Province accordingly; no advance was made during 1880-1; but by authority of an Order in Council dated January 1, 1884, the sum authorized for 1880-1 was credited to the account of the Province for the Fiscal year 1883-84.

It was further provided by the Act 41 Vic., Cap. 13, that the advances thereby authorized should be recouped to the Government from the sales of School Lands in the Province, and in the meantime they should bear interest at 5 per cent. per annum. This rate was allowed by the Minister of Finance, in the adjustment of the account, on all amounts from time to time credited to the Fund, so long as the balance was against the Province. When, however, the balance became a credit one, the interest from that date, January 3, 1889, was computed at the rate allowed for investments in the Government Savings Bank, namely, 4 per cent., from January 3, 1889, to October 1, 1889, and after that date $3\frac{1}{2}$ per cent.

The fund has been charged with the expenses incurred in connection with the auction sales of lands from which the amount at the credit of the Fund has been derived, such expenses consisting of advertising, printing, auctioneers' fees, &c., and valuing the lands, the total amount thus charged up to July 1, 1890, being \$6,090.01. This is the whole amount charged in connection with the administration of the School Lands of Manitoba from the acquisition of the Country by Canada up to July 1, last, except for cost of management at Head-quarters. The mode of computing the sum to be charged to cover the "cost of management" at Head-quarters was a subject of discussion between yourself, the Deputy Minister of Finance, and me, and it was ultimately decided that for the present the fairest way would be to charge the Manitoba School Lands Fund with the sum of \$5,895.43 being one-half of the salary of the Clerk in

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charge of the School Lands business at Ottawa, from January 22, 1880, the date of his appointment to that official duty, up to the close of the period covered by the account, the other half to be made a charge against the School Fund of the North-West Territories.

The account on July 1, 1890, according to this arrangement, stood as follows:—

		Cr.
Sales		\$114,052.57
Hay		3,260 86
Timber ..		3,866.37
Stone Quarries		17.50
Interest		3,204.71
		<hr/>
		\$124,402.01
Dr.		
Cost of Management at Ottawa	\$ 5,895.43	
Expenses, being examinations, valuations, auctioneers' fees, printing, advertising, &c.	6,090.01	
Advance made to the Province under 41 Vic. Cap. 13	30,000.00	
	<hr/>	
	\$41,985.44	\$124,402.01
Interest	13,561.94	55,547.38
	<hr/>	
Balance		\$68,854.63

You will observe that the bulk of the sum charged against the Fund is made up of the \$30,000, advanced to the Province and the interest thereon, and that the \$11,985.44 charged for cost of management and expenses covers a period of over 10 years, which I respectfully submit shows the management to have been most economical.

I recommend that the accompanying statement be submitted for the approval of His Excellency the Governor General in Council, and that on such approval being obtained the Government of Manitoba be notified accordingly and be furnished with a statement of the account.

I also recommend that in accordance with the provisions of Sub-clause 3 of Clause 25 of the Dominion Lands Act, His Excellency the Governor in Council be moved to authorize the payment to the Government of Manitoba, for the purposes of the Educational Endowment, of the interest accrued from January 3, 1889, when the balance became a credit one, to June 30, 1890.

I further respectfully recommend that for the future a balance of this account be struck on June 30, and December 31, of each year, that the moneys derived from time to time from sales of the lands in the Province be invested in securities of Canada, as directed by the Dominion Lands Act, and that the interest be paid half-yearly to the Province on the credit balances, at the rate paid to depositors in the Government Savings Bank,—these recommendations being made after discussion of the whole subject with the Deputy Minister of Finance and the Auditor General.

A. M. BURGESS.

Deputy of the Minister of the Interior.

MANITOBA

Revenue and Expenditure, &c., from

REVE

Particulars.	1882-83.	1883-84.	1884-85.	1885-86.
	\$ cts.	\$ cts.	\$ cts.	\$ cts.
Collections on sales.....	914 81	356 65	1,977 14	1,445 05
Timber.....		36 50	136 00	154 50
Hay.....			74 30	209 28
Stone.....				
Interest allowed.....				
Improvements.....				
Costs of trespass.....				
Sale of ponies.....				
Refund by Com. Smith.....				
Damages for trespass.....				
Sale of buck-board.....				
	914 81	393 15	2,187 44	1,808 83

EXPEN

Particulars.	1879-80.	1880-81.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.
	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
Advances.....	20,000 00				10,000 00		
Clerical assistance.....	220 43	500 00	500 00	500 00	500 00	550 00	575 00
Interest charged.....	911 56	1,068 04	1,228 39	1,146 45	1,500 81	1,790 66	1,822 78
Advertising.....							
Inspection expenses.....							
Auctioneers' expenses and commission.....							
Printing.....							
Travelling expenses, Comr. Smith.....							
Surveys, valuations, &c.....							
Electment expenses.....							
Interest paid to Manitoba Government.....							
Supplies.....							
	21,131 99	1,568 04	1,728 39	1,646 45	12,000 81	2,340 66	2,397 78

DEPARTMENT OF THE INTERIOR,
OTTAWA, June 17, 1893.

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SCHOOL LANDS.

commencement to April 30, 1893.

NUE.

1886-87.	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	Ten Months to April 30, '93.	Total.
\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
640 00	34,066 64	41,176 47	32,253 35	28,724 58	116,780 52	76,992 28	335,327 49
932 76	991 65	689 61	926 60	447 72	270 81	814 95	5,401 10
215 80	318 05	808 65	1,612 03	2,025 67	1,268 36	780 35	7,321 49
			10 00				10 00
		476 04	1,719 13	2,498 63	4,889 30	3,660 17	13,243 27
		117 50					117 50
					274 85		274 85
					111 20		111 20
		8 35					8 35
						15 00	15 00
						13 40	13 40
1,788 83	35,376 34	43,276 62	36,530 11	33,696 60	123,595 04	82,276 15	361,843 65

DITURE &c.

1886-87.	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	Ten Months to April 30, '93.	Total.
\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
							30,000 00
600 00	867 50	650 00	675 00	700 00	700 00	350 00	7,887 93
1,799 13	1,148 99	135 59					12,552 40
25 50	988 69	219 37	40 30	57 40	653 78	821 68	2,806 72
4 25		333 95	1,928 34	280 25	1,697 95	943 13	5,183 87
206 00	1,000 00	279 05			3,874 50	993 56	6,353 11
	102 61					213 34	315 95
	250 00						250 00
	284 55	135 75	29 15		50 00	50 00	549 45
					311 59	45 92	357 51
					8,698 00	4,516 32	13,214 66
				10 00	187 38	151 10	348 48
2,634 88	4,642 34	1,753 71	2,672 79	1,047 65	16,173 54	8 085 05	79,824 08

J. A. PINARD,
Accountant.

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DEPARTMENT OF THE INTERIOR,
OTTAWA, April 17, 1893.

The Honourable
CLIFFORD SIFTON,
Provincial Lands Commissioner,
Winnipeg, Manitoba.

I beg to acknowledge the receipt of your letter of February 24, asking for information in regard to the area of school lands disposed of in the Province of Manitoba and the amount of money received therefor.

In reply I beg to state for your information as follows:—

	Acres.
The area of school lands sold by public auction in the Province of Manitoba to January 1, 1893, exclusive of lots adjoining Rapid City.....	74,735·28
Area disposed of at sales held in January and February, 1893.....	12,602·85
Approximate area of town lots sold adjoining Rapid City	15·50
Total.....	87,353·63

This area was sold for \$672,241.22, giving an average price of \$7.69 per acre.

Up to March 1 \$329,699.76 had been received on account of these sales.

The terms of sale for School Lands are fixed by statute, and are one-fifth in cash at the time of sale and the balance in four equal annual instalments, with interest at the rate of 6 per cent per annum on the balance of the purchase money remaining from time to time unpaid. I may add that the minimum price realized was \$5 per acre, and the maximum price, exclusive of the town lots adjoining Rapid City which were sold by the lot, was \$65 per acre.

A. M. BURGESS,
Deputy Minister.

DEPARTMENT OF THE INTERIOR,
OTTAWA, July 13, 1893.

The Hon. CLIFFORD SIFTON,
Provincial Land Commissioner,
Winnipeg, Manitoba.

Referring to your recent interview with the Minister and Deputy Minister of the Interior in regard to School Lands I have the honour to enclose for your information a statement of the revenue and expenditure on account of Manitoba School Lands to May 1, 1893.

It will be observed that the total revenue, \$361,843.65 includes \$13,243.27 for interest on the investment of the moneys derived from School Lands, leaving the actual revenue to be set against the expenditure, \$348,600.38.

The total charge against the fund for a period of over 12 years is \$79,824.08.

The bulk of this sum, however, was not incurred for expenses of management, \$30,000 of it being an advance made to the Government of Manitoba, on the security of the School Lands under the authority of the Act, 41 Vic. Cap. 13; an additional sum of \$12,552.40, being the interest at 5 per cent on the \$30,000, before referred to from the date of the advance until it was recouped to the Government, and a further sum of \$13,214.66 being the amount paid to the Government of Manitoba, as interest on the School Lands Moneys.

This leaves the sum of \$24,057.02 as the cost of administration for a period of over 12 years.

It should also be borne in mind that while the above sum represents the actual expenditure, the account does not and cannot show the full amount of the revenue

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which should be set against this expenditure for the simple reason that the payments for School Lands extend over four years, so that a large portion of the sum realized by the recent sales is not yet due.

Of the \$421,517.76 represented by the sales of 1892, \$84,678.65, was paid at the time of the sale leaving \$336,839.11 together with interest at 6 per cent, to be paid in four annual instalments. The 2nd instalment amounting with interest to over \$100,000, fell due in January and February last, but a large portion of it has still to be collected owing to the comparatively poor harvest last year, and the low price of wheat. The 3rd, 4th and 5th instalments amounting with interest to over \$280,000 are not yet due.

Similarly, of the \$89,505.46, represented by the auction sales held in January and February last, about four-fifths has still to be collected, amounting with interest to about \$82,000.

It may also be pointed out that the cost of inspecting School Lands, \$5,183.87 should not be measured altogether by the results of the sales, as there are a large number of School Lands inspected over and above those sold, and the information obtained from the Inspector's Reports is available for future reference.

In regard to the interest charged on the advance to the Manitoba Government and the rate allowed on the School Lands moneys invested, I may say that, the rate charged on the \$30,000, advanced to the Province under 41 Vic. Chap. 13, was 5 per cent per annum, this Government allowing the same rate on School Lands Moneys, so long as the balance of the account was against the Province, but when the balance turned in its favour, from that date 3rd of January, 1889, interest was computed at the rate allowed by the Government Saving's Bank, namely, 4 per cent until October 1, 1889, when the Saving's Bank rate was reduced to 3½ per cent.

As to the price obtained for School Lands, I may state that while the average price for the total area disposed of was \$7.69 per acre, a number of quarter sections were sold for prices ranging from \$10.00 to \$15.00 per acre one quarter section realizing \$25.00 per acre, while the small parcels of 4 and 5 acres into which the N. ½ of section 11, Tp. 10 Range 19 Wt. is subdivided, sold for from \$20 to \$65 per acre

JOHN R. HALL,
Acting Deputy Minister.

MANITOBA SCHOOL LANDS.

Statement showing revenue derived from Timber, Hay and Stone on School Lands within the Province of Manitoba, from July 1, 1883 to May 1, 1893.

Fiscal Year.	
1883—1884.	\$ 36 50
1884—1885.	136 00
1885—1886.	141 50
1886—1887.	940 26
1887—1888.	997 15
1888—1889.	695 86
1889—1890.	936 60
1890—1891.	2,478 39

Add \$3,260.86 adjustment of revenue from Hay permits from

June, 1884 to June 30, 1890, as embodied in O. in C. July 20, 1891..	3,260 86
1891—1892.	1,539 17
From July 1, 1892 to May 1, 1893.	1,599 90

Total. \$12,762 19

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Deduct the following refunds made from time to time and charged to the Manitoba School Fund: \$29,60.

Cheque No. 1043—January 2, 1890.....	\$10 00
" 1047—February 3, 1890.....	10 00
" 1071—April 21, 1891.....	5 00
" 1039—August 29, 1892.....	1 30
" 1040—August 29, 1892.....	1 30
" 1041—August 29, 1892.....	2 00
Total.....	\$12,732 59

The following refunds had also been made, but not so far charged to the fund and I understand from Mr. Beddoe that action will shortly be taken to adjust the same.

Cheque No. 1056—February 13, '91.....	\$10 50
" 1124—June 30, '92.....	10 00
" 1060—September 20, '92.....	2 50
Total.....	\$23 00

FRANK LOYER,
Book-Keeper.

DEPARTMENT OF THE INTERIOR,
OTTAWA.

MEMORANDUM *re* SALES OF SCHOOL LANDS IN THE PROVINCE OF MANITOBA.

The first reference on Commissioner's Office File 66742, to the sale of School Lands in Manitoba, is in Head Office letter of July 7th, 1884, to the late Commissioner Walsh, asking him to communicate with the Provincial Government in order to ascertain their views as to the advisability of having an auction that summer, and as to the upset price that should be fixed.

2. On July 16, 1884, letter D 11641, Mr. Walsh addressed the Provincial Secretary in the terms of the foregoing.

3. On July 22, 1884, Ref. 3286, the Commissioner was informed that his letter would be submitted at the next meeting of Council.

4. On September 6, 1884, Ref. 3286, Mr. Walsh was informed that the Provincial Secretary had ordered an investigation into the matter.

5. On May 1, 1886, in head office, ref. 638, 36, S. L. copy letter to Hon. J. Norquay was enclosed suggesting as a settlement of claim of Mr. Wm. Brown to section 11, tp. 1, rge. 3 W. and all similar claims to school lands in the Province of Manitoba, that it be offered at public auction at \$5 per acre, subject to the payment to Brown of the actual value of buildings and improvement should the land be purchased by some one other than himself.

6. On May 14, 1886, ref. B 7479, the commissioner wrote and approved of the head office suggestion.

7. On June, 15, 1886, head office ref. 49 S. L. 36, enclosed copy Mr. Norquay's approval and informed commissioner that this ruling should apply in all cases of squatting on school lands.

8. The first land offered for sale was the section 11, township 7, range 17 west which under instructions from the minister was offered at \$5 on August 23, 1886, and sold at that figure to Mr. A. Williamson, of Toronto.

9. On December 31, 1886, Mr. Burgess wrote ref. 699, (a) that \$5 per acre should be fixed as the minimum upset price, to guard against improvident sales.

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(b) No school section, whether in Manitoba or the North-west Territories should be offered at a less rate, for though certain sections might not be worth that price they would in the course of time; and there was no necessity of selling until then:

(c) That it was inexpedient to hold a sale of one or two sections at a time, owing to the expense of advertizing, &c., which was almost as great for one as for many

(d) That in the North-west Territories the plan should be adopted as in Manitoba, that all proposed sales of school lands therein should be submitted for their approval, and recommending that \$5 per acre should be adopted as the upset price.

10. On May 25, 1887, Ref. 146365, head office states that Hon. Mr. Norquay in a recent letter "states that he is of opinion that the time has arrived when such of these lands as have been increased in value by surrounding settlement or are ascertained to be intrinsically valuable as farming lands should be put up for sale at an upset price of \$5 per acre." Mr. Burgess concludes the letter by requesting the Commissioner to place himself in communication with Mr. Norquay with a view of selecting the lands to be sold and of determining the time of such sale.

11. Accordingly, on June 3, 1887, Lr. 75955, Mr. Norquay was asked for his views, and to furnish at the same time a list of lands which in his opinion should be offered for sale, and to state when and where he thought such sale should be held.

12. On August 15, 1887, Mr. Norquay sent the desired list, each parcel valued at an upset price, less than which he considered should not be accepted, and recommended that the sale should be held sometime in the autumn.

13. The list was sent to head office under cover commissioner's office, Lr. No. 81583 of August 17, 1887, attention being drawn to the fact that certain of the parcels were valued at less than \$5 per acre.

14. On August 24, 1887, head office wrote Ref. 154993 on 46365 acknowledging list and pointing out that some 44,000 acres out of the 180,000 submitted were valued at less than \$5 per acre, and thought that this should be deducted so as not to reduce the selling price of the land, and asked that Mr. Norquay be consulted.

15. On October 11, 1887, Lr. No 84587 on 66742 Mr. Burgess was informed that the commissioner had had an interview with Mr. Norquay immediately on his return to town and that the following arrangements had been entered into:—

16. That the selections of Mr. Norquay, 180,000 acres be offered at an upset of not less than \$5 per acre; that the Canadian Pacific Railway and other railway companies should be required to purchase their rights-of-way, &c., at such sale; that the value of improvements be collected for squatters in cases of outsiders purchasing where proof of occupancy is forthcoming, and for the benefit of the school fund in other cases; that the sale be held in December next or as soon after as practicable and that all improvements be inspected.

17. On October 25, the head office was advised of the result of an interview of the commissioner with Hon. Dr. Harrison and the Hon. Dr. Wilson.

(a) Province to be divided into 6 districts, in which the lands shown in Mr. Norquay's list be offered at public auction, viz.: Winnipeg, Portage la Prairie, Brandon, Minnedosa, Manitou, Deloraine.

(b) The value of improvements to go to squatters who were in residence by themselves or families on October 1, 1887; but where improvements are made by other than bona fide residents on such school lands the value to go to school fund.

(c) Inspections of improvements to be made after sale.

(d) Sale to be held in middle of January following.

(e) Sales to be subject to right-of-way for railway purposes, and lands so taken up to be repaid to the province out of crown lands.

(f) Municipal roadways to be acquired by expropriation after sale.

(g) Upset price to be not less than \$5 per acre with reserve to be fixed by Mr. Fitzroy Dixon and officials of local government.

(h) Lands to be offered in quarter sections.

18. Accordingly Mr. Dixon attended at the local government buildings and with two of their officials carefully went over all the reports that had been obtained on the lands by Mr. Norquay's inspectors. A valuation was then made of each quarter-

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section, and the completed list sent to head office on November 4th, 1887, commissioner's office, Lr. 86012.

19. On November 7th, 1887, the commissioner sent head office, a copy of the C.P.R. requirements for right-of-way on the land to be sold, amounting to 398.18 acres.

20. On November 12th, a telegram was sent head office to offer lands at one upset price which should be published, instead of an announced reserve. This was done with the approval of the Hon. Mr. Norquay.

21. Head office letter of November 28th, 1887, ref. 146365, reviewed the past correspondence and generally approved of the commissioner's course, pointing out the necessity of not deciding at present as to the railway right-of-way.

22. On December 13th, 1887, head office ref. 163582, Mr. F. Fitzroy Dixon was appointed by Mr. Burgess to attend the school land sales and receive moneys, sign receipts and generally act on behalf of the department.

23. On January 9th, 1888, a telegram was received from head office which was repeated same day to Mr. Dixon at Manitou, to act on order in council of local government re II-I-3 W. squatted on by one Wm. Brown and offer entire section at \$5 per acre. This was done, and the section purchased by Mr. Brown at the upset price.

24. On January 17th, 1888, the following telegram was received from Mr. White, late minister, and was read out by auctioneer Wolf at all subsequent sales that year:—

“Let auctioneer announce that settlers failing to purchase forfeit claim in future sales to payment of improvements and that Parliament will be asked to give power to sell at private sale at upset price where no bids have been offered at auction.”

This message was the result of representations that squatters were failing to avail themselves of the opportunity of purchasing the lands they were occupying.

25. The result of the sales of 1888 was the disposal of 20,279 acres for \$147,427.46.

26. There having been evidence of defective valuations owing to imperfect descriptions of lands in the preceding sales, it was decided to have all unsold school sections carefully examined by a competent Inspector. Accordingly a form of report was drawn up, which, when filled in would, it was thought, afford all details needful, to enable a competent judge of lands to value any particular quarter-section.

27. Subsequently Mr. George D. Bedford was appointed to the position of school lands inspector, and has acted in this capacity every summer. He received his first outfit on the 13th May, 1889.

28. The services of Forest Rangers, W. Tool and W. B. McLellan were also utilized for the inspection of School Lands as it was anticipated there would be a large demand at the next sale.

29. Towards the close of the year 1889 the public began writing to the Commissioner's office, asking when school lands would again be sold, and applying for certain sections which they desired to purchase.

30. On October 16, 1890, a letter was addressed to the Hon. Joseph Martin, provincial lands commissioner asking for an expression of his views as to the disposal of school lands.

31. On October 18, 1890, Mr. Martin replied and enclosed copy of a letter from himself to Mr. Dewdney, recommending the leasing of school lands.

32. On April 6, 1891, Mr. Burgess wrote to the commissioner enclosing copy of a letter to the Hon. Thomas Greenway with respect to the decision arrived at as to leasing school lands, which as a source of expense and detriment to the lands themselves the minister disapproved of. Mr. Burgess also enclosed copy of Order-in-Council dated March 20, 1891, from which the following is extracted:—

‘The contention is made by the Hon. Joseph Martin, relying on the reference made in the Orders-in-Council of April 1 and May 20, 1884, to the practice of consultation with the Government of Manitoba in regard to the disposal of school lands in the province, and that it is incumbent on the Dominion Government to hold no sales of school lands in Manitoba without the consent of the local government.

‘Minister observes that it has been the practice, as a matter of courtesy, before holding auction sales of school lands in Manitoba to ascertain the views of the pro-

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vincial government in regard thereto, and the auction sales that have taken place in the province were held with their concurrence.

'The Minister states that in view of the number of applications that have been made to the Department of the Interior to purchase school lands, an auction sale was contemplated for last Autumn, but on consulting with the members of the local government on the subject, it was found that they were opposed to any sale being held that season, and in deference to their wishes the sale was indefinitely postponed, although in the opinion of the Minister of the Interior the time was favourable for the disposing of these lands at good prices, in view of the excellent harvest last season, and the demand existing for these lands.

'The minister in consideration of these facts, desires to call attention to this matter and wishes for a definition of the position of the dominion government in the premises, as trustees of these lands, for if the contention of Mr. Martin is correct that the dominion government is bound to hold no sales of school lands in the province of Manitoba without the consent of the local government, it involves a very vital qualification of the discretion reposed by parliament in your excellency in council and the minister of the interior, and such an abridgment of the trust created by the school lands provisions of the Dominion Lands Act as in his opinion would require to be authorized by parliament.

'The minister observes that it has been declared by parliament that the school lands in Manitoba and the North-west Territories shall be administered by the minister of the interior under the direction of the governor in council, and he submits that the position of the dominion government as trustees of these lands would be practically untenable, if, whilst charged with the responsibility for the proper administration of the same your excellency was unable to take such action as might seem to be in the interest of the school fund, the more especially since, should any action or want of action prove injurious to the school endowment, the fact of the dominion government having been guided in the premises by the wishes of the government of the province would not relieve it of its responsibility for the result.

'The minister therefore recommends that the government of Manitoba be informed that while the dominion government has expressed its desire, as a matter of courtesy, to consult the local administration as to the sale of school lands, it is also bound by Act of parliament to administer these lands solely through the minister of the interior, under the direction of your excellency in council, and therefore to hold sales of such lands when your excellency deems it advisable in the public interest.'

33. On April 16, 1891, Lr. 192304, the commissioner acknowledged the receipt of Mr. Burgess' letter and inclosure, and recommended the holding of a sale of school lands in the course of the coming winter, and suggested that the local government be consulted as to the upset prices.

34. On June 23, 1891, Mr. Burgess wrote and suggested consultation with the local government in regard to the valuation of school lands, desiring, however, that 'it be distinctly understood that it is done under the conditions and subject to the limitations expressed in the recent communication to that government on the subject of sales of school lands.'

35. On July 6, 1891, the commissioner wired to Mr. Burgess that 'Mr. Greenway suggests better results probably obtained if terms payment school lands made one tenth cash, balance nine annual instalments.'

36. On July 7, 1891, the commissioner wrote Mr. Burgess, repeating telegram of June 23, and giving effect of interview with Mr. Greenway. Mr. Greenway had first stated the opinion of himself and colleagues that the dominion government should not offer these lands for sale without their consent. Mr. Greenway's attention was thereupon called to the order in council quoted in section 82, which it would appear that he had not seen.

(b) Mr. Greenway then discussed the terms of sale, the purport of which was wired as above stated.

(c) As to the time of holding sale, Mr. Greenway preferred early in the fall to suit visitors from the east. When, however, it was explained that most of the purchases

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would be made by people already in the country, and that the third week in January would probably suit the best, Mr. Greenway appeared to fall in with this view.

(d) It was also arranged that a list of lands should be prepared and sent over for comparison with the records in the hands of the local government, at which time prices could be fixed.

37. On August 3, 1891, in letter 268459 on 169885, head office advised the commissioner of the minister's decision not to make any alteration in the terms of payment as suggested by Mr. Greenway.

38. On September 15, 1891, Mr. Ruttan called to see Mr. Greenway by the commissioner's instructions, and asked him to name a day for the appraisement of the lands. This, however, he declined to do, not being sure that his government would participate in the proceedings at all, and Mr. Greenway added that he was going to Brandon that afternoon, and would there consult with his colleague, Mr. Sifton, attorney general, who has special charge of all matters of this kind. That on returning to Winnipeg, he would advise the commissioner of the course to be pursued.

39. On September 23, 1891, the commissioner wrote Mr. Hall enclosing a copy of Mr. Ruttan's memo. to the above effect and expressing his surprise at Mr. Greenway's action, as he had believed from his interview, before mentioned, that the local government would agree to the proposed sale. The commissioner also gave the purport of a letter from Mr. Sifton disapproving of the action of the Dominion Government.

40. In the same letter the head office was advised that Mr. Peters would be engaged to check over and revise valuation.

41. On December 31, 1891, a letter was written to the commissioner from the Provincial Lands Department saying that the Provincial Lands Commissioner had in a letter dated October 7 last, addressed to the Minister of the Interior, objected to the proposed sales being held.

42. By telegram of January 14, 1892, Mr. Burgess approved of Mr. Dixon's appointment to attend land sales as last year.

43. The sales were held in January and February, 1892, and may be considered a great success, no less than 53,030 acres being disposed of for \$421,517.

44. On October 11, 1892, a letter was addressed by Mr. Dewdney, then minister of the interior, to Mr. Clifford Sifton informing him of the intention to hold another sale of school lands about January 1 following and to include in the list all those parcels which were known to have been squatted on.

45. On October 24 the commissioner wrote to Mr. Burgess suggesting that Mr. Peters should be again employed to value the lands. The commissioner also raised the point as to whether the lands valued by the inspector at less than \$5 per acre should be offered, it being understood that this was the lowest upset price we could adopt.

46. On December 19 Mr. Burgess telegraphed:—

"Consult with Greenway as to the advisability in view of result of harvest of holding school land sales, remembering on the other hand that high average upset price has been placed on lands that we have incurred cost of inspection and advertising and that if sale is not held it will result in hardship to squatters."

47. In accordance with this message Mr. Burpé called on Mr. Greenway and the result of his interview was wired to Ottawa as follows:—

"Greenway doubts advisability general sale school lands just now, but thinks lands squatted on or for which there has been demand should be offered. Shall we endeavor prepare list accordingly?"

48. On December 20, 1892, Mr. Burgess wired in reply:—

"Prepare list for each auctioneer of school lands squatted on, general list already prepared, will be printed and issued; auctioneer will be instructed to first offer lands squatted on and then to put up any land on the general list asked for——"

49. In accordance with these instructions the lands were offered for sale; first of all those squatted on and then the entire list over again. In this way squatted lands were twice offered. At Brandon there having been complaint of difficulty in following the auctioneer in first putting up squatted lands first of all, the method was omitted at Winnipeg.

50. The result of the sales of 1893 was as follows:—12,602 acres for \$89,505.

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DEPARTMENT OF FINANCE,
OTTAWA, August 9, 1895.

A. M. BURGESS, Esq.,
Dept. Min. of Interior.
Ottawa.

I am directed to inform you the following amounts have been added to the School Land accounts, being for interest to June 30 last.

Assiniboia School Lands.....	\$ 88 64
Alberta ".....	911 76
Saskatchewan ".....	11 82
Manitoba ".....	6,341 41

Also that the following payments have been made to the Provincial Government on account of interest and charged to Manitoba School Lands.

January 1, 1895.....	\$ 5,725 03
August 5, 1895.....	6,383 00

The balances at the credit of these accounts now stand as follows for 1894-'95.

Assiniboia School Lands.....	\$ 5,284 18
Alberta ".....	53,154 27
Saskatchewan ".....	702 66
Manitoba ".....	373,035 70

Which I trust will agree with your books.

J. FRASER,
For Accountant.

DEPARTMENT OF FINANCE,
OTTAWA, January 28, 1897.

The Deputy Minister
of the Interior,
Ottawa,

I am directed by the Deputy Minister of Finance to inform you that the following amounts have been credited to the various 'School Lands Accounts' for interest for half year ended December 31, 1896.

Manitoba School Lands.....	\$ 7,492 07
Assiniboia ".....	98 33
Alberta ".....	966 35
Saskatchewan ".....	13 99

And the following amounts have been paid for interest on account of the Manitoba School Lands.

July 3 on account of interest due June 30, 1896.....	\$ 6,600 00
Aug. 7 " " ".....	571 70
Jan. " " Dec. 31, 1897.....	7,500 00

J. FRASER.

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(Telegram.)

DEPARTMENT OF THE INTERIOR,
OTTAWA, February 13, 1896.H. H. SMITH,
Commissioner of Dominion Lands,
Winnipeg.

Area Manitoba School Lands sold to date eighty-seven thousand six hundred and fifty-eight and forty-three hundredths acres (87,658.43) for the sum of six hundred and seventy-three thousand five hundred and eighteen dollars and ninety cents (\$673,518.90). Letter following.

JOHN R. HALL.

DEPARTMENT OF THE INTERIOR,
OTTAWA, February 17, 1896.H. H. SMITH, Esq.
Commissioner of Dominion Lands,
Winnipeg, Manitoba.

Referring to the telegram sent you on the 13th instant conveying the information desired by the Provincial Treasurer as to the total acreage of Manitoba School Lands sold to date and the sum represented thereby, I am to say that it is assumed that the Provincial Treasurer will understand that the amount mentioned, \$673,518.90 is only the principal sum represented by the sale of the acreage given, 87,658.43 acres, at the price realized, and does not include the interest accrued.

The acreage comprises the School Lands sold to the Canadian Pacific Railway Company for right-of-way substitutional highways and station grounds.

The total area as originally sold was 87,740.54 acres, but by recent correction surveys the area of the S. E. $\frac{1}{4}$ of section 29, township 13, range 6 west of 1st M. was reduced by 37.71 acres and that of the N. E. $\frac{1}{4}$ of section 29, township 15, range 17 W. 1, to 44.40 acres, thus reducing the total area sold to 87,658.43 acres and the sum realized to \$673,518.90 as given in the telegram.

A statement of the Manitoba School Lands Account for the year ending October 31, 1895, is given in the Annual Report a copy of which is being sent you.

LYNDWODE PEREIRA,
Assistant Secretary.

DEPARTMENT OF THE INTERIOR, OTTAWA.

Memorandum showing the acreage of Manitoba School Lands sold to February 1, 1896, and the sum (principal) represented thereby :—

1883..	619.94 acres.	\$6,206.07	
1884..	2.00 "	60.50	
1886..	640.00 "	3,200.00	
1888..	19,986.30 "	140,189.12	
1888..	293.16 "	7,238.34	Sec. 11, Tp. 10, R. 19.
1888..	156.00 "	1,326.00	(N. E. $\frac{1}{4}$ 29, 13, 19).
1888..	15.50 "	2,598.00	(Rapid City Lots approximate only).
1889..	20.00 "	400.00	
1892..	53,030.59 "	421,517.76	
1893..	12,602.85 "	89,505.46	
	87,366.34 "	\$672,241.25	
	374.20 "	1,896.75	(C.P.R., Right of way, &c).
	*87,740.54 "	\$674,118.00	

* The above area is however now 87,658.43 acres owing to recent correction surveys having reduced the S.E. $\frac{1}{4}$ 29, 13, 6 W. by 37.71 acres and the N.E. $\frac{1}{4}$ 29, 15, 17 W. by 44.40 acres and the sum represented by the sales is therefore reduced to \$673,518.90. See my statement on this file of the 6th July, 1893 Ref. : 334,487. F. S. C.

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DEPARTMENT OF THE INTERIOR,
OTTAWA, September 11, 1897.The Secretary,
Department of Finance,
Ottawa.

I am directed to enclose herewith for your information, two statements showing revenue and expenditure in connection with Manitoba School Lands accounts for the period of six months ended on June 30 last.

LYNDWODE PEREIRA,
Assistant Secretary.DEPARTMENT OF FINANCE,
OTTAWA, September 7, 1897.Deputy Minister
of the Interior,
Ottawa.

The following is a statement shewing the state of the School Lands Accounts, on June 30 last.

Manitoba—

Interest accrued during the year.....	\$ 15,192 88
" paid " "	15,000 00
" added to account but paid in 1897-8.....	192 88
Balance June 30.....	\$448,674.13

Assiniboia—

Interest accrued and added to account during the year \$	199 21
Balance.....	\$5,954.41

Alberta—

Interest accrued and added to account during the year \$	1,949 87
Balance	\$57,401.65

Saskatchewan—

Interest accrued and added to account during the year \$	29 84
Balance	\$914.44

M. G. DICKIESON,
Accountant.DEPARTMENT OF THE INTERIOR,
OTTAWA, February 24, 1898.The Secretary,
Department of Finance,
Ottawa.

I am directed to transmit to you for transmission to the Manitoba Government, detailed statements showing receipts and expenditure on account of the Manitoba School Lands fund for the six months ended December 31 last.

LYNDWODE PEREIRA,
Assistant Secretary.

MANITOBA SCHOOL LANDS.

		\$	cts.	\$	cts.
1897.					
July	1..	By balance		456,174	13
"	1..	To cash on account of interest to date	7,500	00	
Sept.	1..	To cash balance on account of interest to July 1.....	192	88	
Dec.	31..	To expenditure to date	1,321	47	
"	31..	By receipts		17,927	93
"	31..	By interest for 6 months added		6,790	97
"	31..	To balance.	471,878	68	
			480,893	03	480,893 03
1898.					
Jan.	1..	By balance		471,878	68
		To cash on account of interest	6,800	00	6,800 00
					465,078 68

FINANCE DEPARTMENT,
OTTAWA, February 22, 1898.

DEPARTMENT OF INTERIOR,
OTTAWA, August 21, 1898.

The Auditor General,
Ottawa.

I have the honour to enclose herewith for your information a copy of an Order in Council, dated 20th ultimo, approving the report submitted showing the position of the Manitoba School Lands Fund on June 30, 1890.

I am also to request that you will have the following entries made in the books of your office.

1. Credit,—Manitoba School Lands Fund, and debit Consolidated Fund, with \$3,240.86, the net amount received for hay cut on Manitoba School Lands to June 30, 1890.

2. Debit,—Manitoba School Lands Fund and credit Consolidated Fund with \$5,895.43, being one half of Mr. Checkley's salary from January 22, 1880 to June 30, 1890.

3. Debit,—Manitoba School Lands Fund and debit Consolidated Fund, \$13,561.94 for interest on the \$30,000 advanced under 41 Vic., Chap. 13 and on Mr. Checkley's salary and other expenses.

4. Credit,—Manitoba School Lands Fund and debit Consolidated Fund \$3,204.71, interest on credit balances to June 30, 1890.

In addition to the above an entry should be made in connection with the accounts of the last fiscal year, debiting Manitoba School Lands Fund and crediting Civil Government salaries, Department of the Interior, 1890-91, with \$700, one half of Mr. Checkley's salary for the 12 months ending June 30, 1891.

JOHN R. HALL,
Acting Deputy Minister of Interior.